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*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Funding Subaccounts*

DESCRIPTION:

This premise reflects funding shifts for CalWORKs grant costs from GF to revenues deposited into the CalWORKs MOE Subaccount, Realignment Family Support Subaccount and Child Poverty and Family Supplemental Support Subaccount. Funds deposited into the Child Poverty and Family Supplemental Support Subaccounts consist of county indigent health savings transferred from the Health Subaccount. These funds will be redistributed to counties in lieu of GF for CalWORKs expenditures.

IMPLEMENTATION DATE:

The CalWORKs MOE Subaccount funds implemented on September 1, 2011. The Realignment Family Support Subaccount and the Child Poverty and Family Supplemental Support Subaccount implemented on July 1, 2013.

KEY DATA/ASSUMPTIONS:

CalWORKs MOE Subaccount Funds

- Authorizing statute: W&IC section 17601.2.
- Funds previously deposited into the Mental Health Subaccount are deposited in the CalWORKs MOE Subaccount.
- Counties are required to pay an increased share of CalWORKs assistance costs up to the amount of funds available in the CalWORKs MOE Subaccount.
- The CalWORKs MOE Subaccount is expected to contain revenues of \$1.1 billion in both FY 2014-15 and FY 2015-16.

Realignment Family Support Subaccount

- Authorizing statute: W&IC section 17600.50.
- Sixty percent of the sum of the 1991 health realignment funds from the indigent and public health program and the county medical services program will shift to the Realignment Family Support Subaccount to offset CalWORKs grant costs.
- In the Realignment Family Support Subaccount, \$724.9 million will be available in FY 2014-15 and \$741.9 million will be available in FY 2015-16.

Child Poverty and Family Supplemental Support Subaccount

- Authorizing statute: W&IC section 11450.025.
- The Child Poverty and Family Supplemental Support Subaccount provides funding for the grant impact of both the March 1, 2014 and April 1, 2015 five percent CalWORKs MAP increases and any subsequent grant increases when sufficient revenues are available.
- Prior year "base" funding is available to the counties immediately. The FY 2014-15 and FY 2015-16 funding, identified as "growth" in the budget tables, requires adequate upfront GF authority in the CDSS budget until subaccount funds are available directly to the counties.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Funding Subaccounts*

KEY DATA/ASSUMPTIONS (CONTINUED):

- In the Child Poverty and Family Supplemental Support Subaccount, \$213.6 million will be available in FY 2014-15 and \$286.8 million will be available in FY 2015-16 (base and growth funding combined).

METHODOLOGY:

Counties are required to pay an increased share of CalWORKs assistance costs based on the most recent projections of funds available in the CalWORKs MOE Subaccount, Realignment Family Support Subaccount and Child Poverty and Family Supplemental Support Subaccount.

FUNDING:

The increased county share is funded by revenues from the CalWORKs MOE Subaccount, Realignment Family Support Subaccount and the Child Poverty and Family Supplemental Support Subaccount and offsets an equivalent amount of GF.

CHANGE FROM GOVERNOR'S BUDGET:

CalWORKs MOE Subaccount

There is no change.

Realignment Family Support Subaccount

There is no change in FY 2014-15. There is no change to the total funds in FY 2015-16; however, the funding shift has increased county cost due to updated funding estimates.

Child Poverty and Family Supplemental - Growth

There is no change to the total funds in FY 2014-15 or FY 2015-16; however, the funding shift has decreased county cost due to updated revenue projections and available funding.

Child Poverty and Family Supplemental – Base

There is no change in FY 2014-15. There is no change to the total funds in FY 2015-16; however, the funding shift has increased county cost due to updated revenue projections and available funding.

REASON FOR YEAR-TO-YEAR CHANGE:

CalWORKs MOE Subaccount Funds

There is no change.

Realignment Family Support Subaccount

There is no change to the total funds; however, the funding shift has increased due to updated revenue projections and available funding.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Funding Subaccounts*

REASON FOR YEAR-TO-YEAR CHANGE (CONTINUED):

Child Poverty and Family Supplemental - Growth

There is no change to the total funds; however, the funding shift has increased due to updated revenue projections and available funding.

Child Poverty and Family Supplemental – Base

There is no change to the total funds; however, the funding shift has increased due to updated revenue projections and available funding.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
CalWORKs MOE Subaccount	\$0	\$0	-\$1,120,551	\$1,120,551	\$0
Realignment Family Support Subaccount	0	0	-724,894	724,894	0
**Child Poverty and Family Supplemental Support Subaccount - Growth	0	0	-26,878	26,878	0
Child Poverty and Family Supplemental Support Subaccount - Base	0	0	-186,757	186,757	0

FY 2015-16

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
CalWORKs MOE Subaccount	\$0	\$0	-\$1,120,551	\$1,120,551	\$0
Realignment Family Support Subaccount	0	0	-741,952	741,952	0
**Child Poverty and Family Supplemental Support Subaccount - Growth	0	0	-69,850	69,850	0
Child Poverty and Family Supplemental Support Subaccount - Base	0	0	-216,965	216,965	0

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*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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TANF/MOE Adjustments*

DESCRIPTION:

This premise reflects the adjustments and funding shifts necessary to meet the MOE funding requirements of the TANF program, as well as additional state funding requirements for the CalWORKs program. This premise consolidates the following items: CalWORKs Administrative Cap Adjustment, Tribal TANF MOE Adjustment, GF MOE WPR Adjustment, GF MOE Adjustment, TANF Carry Forward and Total TANF Reserve.

In addition to TANF requirements for the state, this premise also reflects the 15 percent federal cap on administrative expenditures.

For other premise items pertaining to TANF and MOE, please refer to the TANF/MOE in Other State Agencies, CalWORKs Non-MOE and CalWORKs Funding Subaccounts premises.

IMPLEMENTATION DATE:

The TANF program and MOE requirements implemented on October 1, 1996.

KEY DATA/ASSUMPTIONS:

Administrative Cap Adjustment

- Authorizing Statute: CFR sections 263.0 and 263.13.
- The TANF program rules prohibit states from spending more than 15 percent of federal TANF funds on administrative costs.
- The administrative cap is applied statewide rather than to each county individually. Administrative activities include, but are not limited to, eligibility determinations, automation costs, fraud and administrative costs incurred by contractors.

State MOE Requirement

- The CalWORKs TANF Block Grant is \$3.7 billion for both FY 2014-15 and FY 2015-16.
- Federal legislation established the amount of MOE GF that states must contribute as a condition for receipt of the block grant. The ongoing state MOE requirement is approximately \$2.9 billion.
- The state MOE requirement may be adjusted by both Tribal TANF and the WPR.

Tribal TANF/MOE Adjustment

- Adjustments are made to the TANF Block Grant and the MOE requirement to account for Tribal TANF expenditures.
- The total federal TANF funds for Tribal TANF programs are \$80.3 million and \$83.1 million for FY 2014-15 and FY 2015-16, respectively.
- It is projected that \$75.9 million and \$77.5 million in GF for FY 2014-15 and FY 2015-16, respectively, will be spent in Tribal TANF programs.
- Approximately \$62.5 million and \$64.7 million of these additional GF expenditures may be used to reduce the state's TANF MOE requirement for FY 2014-15 and FY 2015-16, respectively.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

TANF/MOE Adjustments*

KEY DATA/ASSUMPTIONS (CONTINUED):

GF MOE WPR Adjustment

- In any year in which the state meets the federal WPR for the CalWORKs program, the MOE requirement is reduced from 80 percent to 75 percent of the historical FFY 1994 expenditures. The state has not met the WPR since FFY 2007.
- The MOE requirement is held at 80 percent until such time that California receives notice from ACF that the WPR has been met.

TANF Carry Forward and Total TANF Reserve

- Unspent TANF funds from one FY may be carried forward to be spent in future FYs. The estimated carry forward available to be spent is \$268.4 million in FY 2014-15 and \$182.3 million in FY 2015-16.
- The total TANF Reserve was established to fund unforeseen program needs in the CalWORKs Program. There are currently no funds in the TANF Reserve.

Excess GF (MOE or Non-MOE) Needed to Fund Programs

- If projected expenditures exceed the combined total of the available TANF Block Grant, MOE requirement and/or GF available, the additional projected GF is considered Excess GF Needed to Fund Programs and may be claimed as excess MOE if appropriate.
- In FY 2014-15 and FY 2015-16, excess MOE provides the authority needed to fund the five percent MAP increases. Once Child Poverty Family Supplemental Support Subaccount funds are available to the counties directly, reimbursement of county expenditures will be held back to replace the GF.
- In addition, excess MOE is used to fully fund additional GF needed to replace GF that is shifted to non-MOE. The additional GF required is offset by available TANF funding transferred to the California Student Aid Commission which will make GF available for other uses.
- The estimated excess MOE required is \$78.0 million in FY 2014-15 and \$192.4 million in FY 2015-16.

Administrative Cap Adjustment

- Actual state and federal administrative expenditures from the final quarter of FFY 2013 and the first two quarters of FFY 2014 are added to the projected third quarter of FFY 2014 expenditures and the total is compared to the net annual TANF grant and the required state MOE for FFY 2015.
- The amount in excess of the administrative cap is shifted from TANF to MOE.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

TANF/MOE Adjustments*

METHODOLOGY:

Administrative Cap Adjustment

- Actual state and federal administrative expenditures from the final quarter of FFY 2013 and the first two quarters of FFY 2014 are added to the projected third quarter of FFY 2014 expenditures and the total is compared to the net annual TANF grant and the required state MOE for FFY 2015.
- The amount in excess of the administrative cap is shifted from TANF to MOE.

State MOE Requirement

- The State MOE Requirement is reduced by funds expended in the Tribal TANF program.
- The projected state and county expenditures, including those in other state departments, countable toward the MOE are compared to the state's MOE level to determine the GF MOE Adjustment requirement.
- The GF adjustment above or below the MOE level is shifted to or from federal TANF funds. The GF MOE Adjustment does not change the total funds available.

FUNDING:

Funding for the items in this premise consists of TANF, GF MOE and county funds.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 decrease in the GF MOE Adjustment reflects an increase in the state share of costs due to increased RNE and TANF Timed-Out cases and the decrease in Excess MOE Needed to Fund Programs. The FY 2015-16 the decrease in the GF MOE Adjustment reflects an increase in the CDE MOE eligible expenditures and a decrease in Excess MOE Needed to Fund Programs.

The FY 2014-15 and FY 2015-16 decrease in Excess MOE Needed to Fund Programs is primarily due to adjusting the GF authority needed to fund the five percent MAP increases until subaccount funds are available.

The FY 2014-15 increase in the TANF Carry Forward reflects an adjustment to the FY 2013-14 Single Allocation reserve and TANF funding recoupment for FY 2012-13. The FY 2015-16 increase in the TANF Carry Forward reflects the increase to the FY 2014-15 TANF Carry Forward and spending less TANF in CalWORKs due to shifting the funding for Long-Term Sanction cases to Non-MOE GF.

There is no change for the Administrative Cap Adjustment, the GF MOE WPR Adjustment or the Total TANF Reserve in both FY 2014-15 and FY 2015-16.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

TANF/MOE Adjustments*

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease to the GF MOE Adjustment reflects an increase in projected MOE-eligible expenditures in CalWORKs, partially offset by an increase in projected Excess MOE Needed to Fund Programs.

The increase in Excess MOE Needed to Fund Programs is primarily due to increased GF authority needed to fund the five percent MAP increases until Subaccount funds are available.

The decrease in the TANF Carry Forward reflects the funds available to carry forward to FY 2015-16 after accounting for TANF expenditures in FY 2014-15.

There is no change for the Administrative Cap Adjustment, the GF MOE WPR Adjustment or the Total TANF Reserve.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
GF MOE Adjustment	\$0	-\$1,192,137	\$1,192,137	0	0
Item 101 – CalWORKs Administration					
Administrative Cap Adjustment	0	-237,700	237,700	0	0
Item 101 – TANF Page					
GF MOE WPR Adjustment	0	0	0	0	0
TANF Block Grant Transfer/Carry Forward	268,398	268,398	0	0	0
Excess MOE Needed to Fund Programs	78,004	0	78,004	0	0
Total TANF Reserve	0	0	0	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

TANF/MOE Adjustments^{*}

EXPENDITURES (CONTINUED):

(in 000s)

FY 2015-16

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
GF MOE Adjustment	\$0	-\$1,124,095	\$1,124,095	\$0	\$0
Item 101 – CalWORKs Administration					
Administrative Cap Adjustment	0	-237,700	237,700	0	0
Item 101 – TANF Page					
GF MOE WPR Adjustment	0	0	0	0	0
TANF Block Grant Transfer/Carry Forward	182,280	182,280	0	0	0
Excess MOE Needed to Fund Programs	192,393	0	192,393	0	0
Total TANF Reserve	0	0	0	0	0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

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CalWORKs Grants*

DESCRIPTION:

This premise reflects the costs of providing cash assistance to eligible CalWORKs families. These costs include expenditures to the Diversion program and savings resulting from the annual COLA increase for Social Security Old Age, Survivors and Disability Insurance benefits. This premise consolidates cases that were previously identified in the Safety Net and RNE premises.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11450.
- For FY 2014-15, a total of 11,452,529 all family person-months and 2,071,564 two-parent person-months are anticipated. For FY 2015-16, 11,089,802 all family person-months and 1,895,592 two-parent person-months are anticipated.
- All family cases consist of 2.31 persons in FY 2014-15 and FY 2015-16. Two-parent cases consist of 3.61 persons in FY 2014-15 and 3.62 persons in FY 2015-16.
- Adjustments are made in the total grants for the estimated costs of current premises which are already reflected in the caseload and expenditure trends to avoid budgeting the fiscal and caseload impacts twice. These premises include: Cal-Learn Bonuses, Cal-Learn Sanctioned Grants, AB 98 Subsidized Employment and Minimum Wage Increase. Another adjustment is made for costs associated with new tribes establishing Tribal TANF Programs.
- Diversion program costs are based on the most recent CalWORKs Cash Grant Caseload Movement Reports (CA 237) and CalWORKs expenditures report (CA 800). The average monthly diversion caseload is estimated at five cases for FY 2014-15 and FY 2015-16, with an average monthly cost per case of \$2,231.
- The estimated CalWORKs grant cost per person is based on an average of the actual cost per person for calendar year 2014.
- The all family cost per person is \$201.54 for FY 2014-15 and FY 2015-16. The two-parent cost per person is \$158.64 for FY 2014-15 and FY 2015-16.
- The all family and two-parent basic costs are adjusted for the projected Old Age, Survivors and Disability Insurance COLA change of 1.7 percent effective January 1, 2015, and no change for calendar year 2016.
- The Old Age, Survivors and Disability Insurance COLA reflects the impact of the projected CPI COLAs on the average Social Security Benefits received by CalWORKs cases, resulting in a FY 2014-15 reduction in cash grants of \$306,722 and \$516,189 in FY 2015-16.
- Due to a federal audit exception, TANF hardship cases are funded with GF MOE, effective September 1, 2009.
- The FY 2014-15 and FY 2015-16 total costs reflect a shift of funds from the RNE program for persons in mixed cases that are TANF-eligible.
- The projected average monthly RNE caseload is 40,101 (including 21,426 state-only cases) in FY 2014-15, and 38,361 (including 20,643 state-only cases) in FY 2015-16.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Grants*

KEY DATA/ASSUMPTIONS (CONTINUED):

- The projected average monthly RNE cost per case is \$152.31 in FY 2014-15 and FY 2015-16.
- The projected average monthly Safety Net/Drug and Fleeing Felon caseload is 79,327 in FY 2014-15, and 76,176 in FY 2015-16. The Safety Net/ Drug and Fleeing Felon cost per case is \$397.36 in FY 2014-15 and FY 2015-16.
- The projected grant costs of increasing allowable CalWORKs resource limit from \$2,000 to \$2,250 for families without a person who is age 60 or older, or is disabled is \$2,119,504 in FY 2014-15 and \$2,737,098 in FY 2015-16.
- As of January 1, 2015, the Approved Relative Caregiver Funding Option Program eligible individuals residing in existing AUs are moved to their own AU of one which results in increased grant cost per person for approximately 5,200 individuals.
- Approximately, 950 new individuals (AUs of one) are eligible for Approved Relative Caregiver Funding Option Program effective January 1, 2015.
- The projected CalWORKs grant cost of Approved Relative Caregiver Funding Option Program is \$5,592,902 in FY 2014-15 and \$11,185,804 in FY 2015-16.
- In FY 2014-15 and in FY 2015-16, \$29,110,000 and \$88,390,000 respectively is shifted from Federal funds to GF to fund the long-term sanction move out since these cases are no longer funded with TANF funds as of March 1, 2015.
- The grant costs for the recently enacted MAP increases are displayed in the Five Percent MAP Increase - March 1, 2014 and Five Percent MAP Increase - April 1, 2015 premises.

METHODOLOGY:

- The person-months are multiplied by the cost per person to determine all family and two-parent basic costs. Person-months are the number of times a person is budgeted in a given timeframe and provides a more simple method for calculating the annual cost when there is not a monthly average person count.
- The all family and two-parent basic costs are reduced for the Old Age, Survivors and Disability Insurance COLA adjustment.
- Diversion costs are calculated by multiplying the average monthly caseload by the cost per case by 12 months. The annual Diversion costs are added to the basic grant costs.
- The total all family and two-parent basic costs are reduced by the costs for Cal-Learn Bonuses, Cal-Learn Sanctioned Grants and new tribes establishing Tribal TANF programs.
- The total Safety Net/Drug and Fleeing Felon costs are determined by multiplying the monthly caseload by the average monthly cost per case by 12 months.
- The total RNE costs are determined by multiplying the state-only monthly caseload by the average monthly cost per case by 12 months.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Grants *

METHODOLOGY (CONTINUED):

- The costs are also adjusted to subtract AB 98 Subsidized Employment grants from this premise so they may be displayed separately.
- The grant costs of increasing the allowable CalWORKs resource limit and Approved Relative Caregiver Funding Option Program are added to the total grant costs for each FY.

CASELOAD:

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Average Monthly Caseload	460,369	443,161
Average Monthly Persons	1,127,008	1,082,116
All Family		
Projected Person-months	11,452,529	11,089,802
Projected Case-months	4,951,246	4,794,354
Person Per Case	2.31	2.31
Two-Parent		
Projected Person-months	2,071,564	1,895,592
Projected Case-months	573,186	523,583
Person Per Case	3.61	3.62

FUNDING:

Basic grant costs are funded with 89.5 percent TANF, 8.0 percent GF and 2.5 percent county funds. In addition, GF MOE is used to fund the RNE program with persons in mixed cases that are TANF eligible. The RNE grant costs are funded with 95 percent MOE GF and five percent county funds. Safety Net/Drug and Fleeing Felon grant costs are funded with 97.5 percent GF and 2.5 percent county funds.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 decreases in the total funds reflect a faster caseload decline than previously projected. The FY 2014-15 and FY 2015-16 increases in GF costs reflect an increase in the RNE, TANF Timed-Out and Safety Net/Drug and Fleeing Felon projected caseloads.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a decline in the projected caseload.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Grants^{*}

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
CalWORKs Grants	\$3,031,198	\$2,295,755	\$656,021	\$79,422	\$0
	<u>FY 2015-16</u>				
Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
CalWORKs Grants	\$2,920,807	\$2,152,794	\$691,482	\$76,531	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Subsidized Employment (AB 98)*

DESCRIPTION:

This premise provides funding to counties outside of the CalWORKs Single Allocation for the subsidized employment program established by AB 98 (Chapter 589, Statutes of 2007). Under AB 98 subsidized employment, the state contributes up to 50 percent of the total wage costs less \$113 to account for EID. The AB 98 subsidized employment program is intended to be cost neutral. Therefore, the state's contribution toward a participant's monthly wage cost is not to exceed 100 percent of the computed grant for the participant's AU in the month prior to entering AB 98 subsidized employment.

Participation in AB 98 subsidized employment is limited to individuals who are not otherwise employed at the time of entry into the subsidized employment program. Participants may include those who become ineligible for CalWORKs due to subsidized employment income, individuals in WTW sanction status and individuals who have exceeded CalWORKs time limits and are receiving Safety Net benefits for eligible children. AB 98 subsidized employment is generally 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.

The Budget Act of 2013 provided funding for an Expanded Subsidized Employment program which is intended to supplement rather than supplant existing subsidized employment programs, including AB 98 subsidized employment. To access the expanded funding, counties must first maintain a minimum level of subsidized employment expenditures through a combination of AB 98 and CalWORKs Single Allocation subsidized employment. See the Expanded Subsidized Employment premise for additional information regarding the expanded funding.

IMPLEMENTATION DATE:

This premise originally implemented on January 1, 2008, but was suspended during ARRA subsidized employment. AB 98 subsidized employment was reinstated with the completion of ARRA as of September 30, 2010, and additional flexibility for participants and expenditures that qualify for AB 98 subsidized employment was provided on March 24, 2011. The phased-in implementation of the more flexible AB 98 subsidized employment began in July 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11322.63.
- Based on caseload data submitted by counties and actual expenditures from calendar year 2014, the average monthly AB 98 subsidized employment work subsidy was approximately \$268.66 per participant per month.
- Counties are projected to serve 2,889 and 2,509 participants in FY 2014-15 and FY 2015-16, respectively. This premise assumes that participation in the AB 98 subsidized employment program lasts six months per participant.
- Beginning April 1, 2015, the average monthly work subsidy will increase by \$24.00 due to the five percent MAP increase.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Subsidized Employment (AB 98) *

KEY DATA/ASSUMPTIONS (CONTINUED):

- The MAP increase is only expected to impact a portion of AB 98 subsidized employment participants depending on their wage subsidies and MAP levels. Cases with a wage subsidy below the MAP levels in effect prior to April 1, 2015 would not receive an increased wage subsidy due to the MAP increases. Cases with a wage subsidy in excess of the MAP levels in effect prior to April 1, 2015 would receive an increased wage subsidy due to the April 1, 2015 MAP increase. The MAP increase is assumed to impact approximately 50 percent of AB 98 subsidized employment participants.
- The projected average monthly work subsidy is \$271.64 in FY 2014-15 and \$280.57 in FY 2015-16. This is based on the actual average monthly work subsidy from calendar year 2014 adjusted for the impact of the MAP increase.
- A participant's grant will be reduced due to the receipt of subsidized employment earnings, resulting in grant savings. The cost for CalWORKs services will be offset by the grant savings, resulting in the cost neutrality of the subsidized employment program.
- Due to the continued tracking of cases for subsidized employment program purposes, there will be no administrative savings for the cases that "income off" of CalWORKs.

METHODOLOGY:

Services costs are calculated by multiplying the projected monthly work subsidy by the projected number of cases by six months for the applicable FY. The subsidized employment program is considered cost neutral with service costs (the wage subsidy) resulting in corresponding grant savings.

FUNDING:

The funding for the CalWORKs grant savings is 93.1 percent TANF, 4.4 percent GF and 2.5 percent county. The funding for services is 95.5 percent TANF and 4.5 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 decrease reflects a lower projected caseload based on recent caseload data and a county survey, as well as a lower projected wage subsidy based on recent expenditure data.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a projected caseload decline in FY 2015-16.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Subsidized Employment (AB 98)*

EXPENDITURES:

(in 000s)

FY 2014-15

Subsidized Employment (AB 98)	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	-\$4,709	-\$4,386	-\$206	-\$117	\$0
Item 101 – CalWORKs Services	4,709	4,499	210	0	0

FY 2015-16

Subsidized Employment (AB 98)	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	-\$4,224	-\$3,933	-\$185	-\$106	\$0
Item 101 – CalWORKs Services	4,224	4,035	189	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Expanded Subsidized Employment*

DESCRIPTION:

This premise reflects the funding for expanding subsidized employment opportunities to CalWORKs WTW participants. The Expanded Subsidized Employment Program allows counties to form partnerships with private, non-profit and public agencies. These agencies provide WTW participants with job opportunities, a connection to the labor force and the job experience needed to obtain unsubsidized work and self-sufficiency.

Expanded Subsidized Employment is generally 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 will increase the likelihood of the participant obtaining unsubsidized employment with the participating employer or the specific skills and experiences relevant for unsubsidized employment for a particular field.

Counties that choose to participate in the Expanded Subsidized Employment Program must submit an Expanded Subsidized Employment Plan no later than 30 days after the implementation of their programs. The Expanded Subsidized Employment Plans are available on the CDSS website at: <http://www.cdss.ca.gov/calworks/PG3412.htm>.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2013.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 11322.63 and 11322.64.
- The FY 2014-15 Expanded Subsidized Employment services cost is held to the 2014-15 Appropriation.
- Expanded Subsidized Employment will ramp up from 2,332 slots in January 2015 and increase to 8,250 slots in June 2015. The projected average number of monthly slots in FY 2014-15 is 3,633.
- The projected monthly average number of slots in FY 2015-16 is 8,250.
- Based on data reported by counties during the two-year TANF Emergency Contingency Fund subsidized employment program and feedback from the Early Engagement stakeholder workgroup, the monthly cost per slot is \$1,355.
- The cost per slot includes subsidized wages and benefits, non-wage employer costs (such as worker's compensation), supervision, training and ongoing job development.
- Grant savings will result from employment earnings and those savings will be reinvested in the Expanded Subsidized Employment program to offset a portion of the costs.
- The projected average earnings for each slot is \$1,000 per month.
- The EID used in the grant calculation for CalWORKs cases is up to the first \$225 of earned income and 50 percent of remaining income.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Expanded Subsidized Employment*

METHODOLOGY:

- The Expanded Subsidized Employment FY 2015-16 services cost is the average monthly cost per slot multiplied by the average monthly number of slots and 12 months.
- The monthly grant savings per slot is calculated by applying the EID to the average projected Expanded Subsidized Employment earnings per month. The Expanded Subsidized Employment total grant savings is the average monthly grant savings per slot multiplied by the average monthly number of slots in the applicable FY and 12 months.

FUNDING:

The grant savings are approximately 89.0 percent TANF and 11.0 percent GF/MOE. The services costs utilize the CalWORKs Employment Services base funding ratios for TANF and GF/MOE.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change to the FY 2014-15 services costs. The FY 2014-15 decrease in grant savings reflects a lower projected caseload. There is no change to the total funding amounts in FY 2015-16; the change in the TANF and GF share is consistent with the CalWORKs Employment Services premise.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change to the services costs; the change in the TANF and GF share is consistent with the CalWORKs Employment Services premise. The increase in grant savings reflects a higher projected caseload in FY 2015-16.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Expanded Subsidized Employment	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	-\$16,893	-\$15,033	-\$1,860	\$0	\$0
Item 101 – CalWORKs Services	134,145	130,850	3,295	0	0
	 <u>FY 2015-16</u>				
Expanded Subsidized Employment	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	-\$38,363	-\$34,136	-\$4,227	\$0	\$0
Item 101 – CalWORKs Services	134,145	131,124	3,021	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Cal-Learn^{*}

DESCRIPTION:

This premise reflects the cost of providing intensive case management, supportive services and financial 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 in 1993, and in 1998 the status of the program was changed from a five-year federal demonstration project to a permanent program.

The Cal-Learn program provides services to encourage pregnant or parenting teens 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. It also includes the administrative time to process supportive services payments and county mandated activities performed by CWDs. 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 TANF-eligible. The grant cost for the sanctioned caseload is funded with GF.

The Cal-Learn program was suspended for FY 2011-12, except for bonuses paid for satisfactory progress and high school graduation. The Cal-Learn program was restored beginning July 1, 2012.

IMPLEMENTATION DATE:

This premise implemented on April 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11331.7.
- The projected caseload is now based on calendar year 2014 data.
- The projected average monthly caseload is 6,355 cases in FY 2014-15 and 4,889 cases in FY 2015-16.

Cal-Learn Bonuses

- Cal-Learn incentives include a \$100 bonus per report card period for satisfactory progress and a \$500 bonus upon graduation.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Cal-Learn^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on the calendar year 2014 actual caseload, as reported on the STAT 45 Reports, 5.4 percent of the Cal-Learn participants will receive the \$100 bonus and 1.4 percent will receive the \$500 bonus.

Cal-Learn Sanctioned Grants

- A \$100 penalty is imposed per report card period for failure to either 1) submit a report card or 2) make adequate progress.
- The sanctioned caseload (159 cases in FY 2014-15 and 122 cases in FY 2015-16) represents 2.5 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 2014.

Cal-Learn Intensive Case Management

- The average hourly eligibility worker cost is \$57.57.
- The eligibility worker requires one hour of administrative time per month for each case.
- The estimate for Intensive Case Management in FY 2014-15 is held to Governor's Budget.
- The case management costs are \$3,075 per case per year for all activities performed by the case manager. The rate is based on calendar year 2014 total case management expenditures divided by the total Cal-Learn caseload.
- Of the total Cal-Learn caseload, 14.1 percent is projected to utilize transportation services at a cost of \$47.25 per month per participant. The utilization rate is based on the calendar year 2014 caseload as reported on the monthly STAT 45 Reports. The costs are based on the calendar year 2014 county transportation expenditure claims.
- Of the total Cal-Learn caseload, 3.1 percent is projected to utilize ancillary services at a cost of \$188.09 per month per participant. The utilization rate is based on the calendar year 2014 caseload as reported on the monthly STAT 45 Reports. The costs are based on the calendar year 2014 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 automation costs for Cal-Learn tracking are approximately \$20 per participant per year, and each county may contract a third party vendor for the case management.
- The RNE caseload (106 cases in FY 2014-15 and 79 cases in FY 2015-16) represents 1.5 and 1.6 percent, respectively, of the projected Cal-Learn caseload and is funded with GF. This estimate includes case management, administration, ancillary and transportation costs for the RNE caseload, which was previously included in the employment services premise.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Cal-Learn^{*}

METHODOLOGY:

Cal-Learn Bonuses

- The Cal-Learn bonus costs are determined by multiplying the bonus amount by the total caseload, multiplied by their respective utilization rates and then multiplied by 12 months.

Cal-Learn Sanctioned Grants

- The sanctioned grant savings are determined by multiplying the total caseload by the sanctioned cases utilization rate multiplied by the \$100 savings per case and then multiplied by 12 months.

Cal-Learn Intensive Case Management

- The case management costs are determined by multiplying the projected Cal-Learn caseload by the cost per case.
- The annual county administration costs are determined by multiplying the eligibility worker cost per hour by the Cal-Learn caseload and then multiplied by 12 months.
- The annual transportation costs are determined by multiplying the Cal-Learn caseload by the transportation utilization rate, multiplied by the transportation cost per case and then multiplied by 12 months.
- The annual ancillary service costs are determined by multiplying the Cal-Learn caseload by the ancillary utilization rate, multiplied by the ancillary cost per case and then multiplied by 12 months.
- The total Cal-Learn intensive case management costs are the sum of the case management cost, county administration, transportation, ancillary and automation.

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 MOE requirement.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 decreases in Bonuses and Sanctioned Grants reflect a decrease in the projected caseload. There is no change in Intensive Case Management in FY 2014-15. The FY 2015-16 decreases in Bonuses, Sanctioned Grants, and Intensive Case Management reflect a decrease in the projected caseload.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Cal-Learn***REASON FOR YEAR-TO-YEAR CHANGE:**

The decreases reflect a decrease in the projected caseload.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
Cal-Learn Bonuses	\$931	\$908	\$0	\$23	\$0
Cal-Learn Sanctioned Grants	-191	0	-186	-5	0
Item 101 – CalWORKs Services					
Cal-Learn Intensive Case Management	25,834	25,142	692	0	0

FY 2015-16

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
Cal-Learn Bonuses	\$716	\$698	\$0	\$18	\$0
Cal-Learn Sanctioned Grants	-146	0	-142	-4	0
Item 101 – CalWORKs Services					
Cal-Learn Intensive Case Management	19,243	18,615	628	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Five Percent MAP Increase – March 1, 2014*

DESCRIPTION:

This premise reflects the cost to the CalWORKs program as a result of a five percent increase to the MAP for all AUs effective March 1, 2014. The cost of the March 2014 five percent MAP increase is funded with the Child Poverty and Family Supplemental Support Subaccount of the LRF, which includes funds that are carried over from prior FYs. The Child Poverty and Family Supplemental Support Subaccount of the LRF is monitored by the DOF to calculate all increases to future CalWORKs MAP levels. For more information regarding the Child Poverty and Family Supplemental Support Subaccount of the LRF, see the CalWORKs Funding Subaccounts premise.

IMPLEMENTATION DATE:

This premise implemented on March 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11450.025.
- Based on the reported income for CalWORKs cases in FFY 2013 RADEP sample data, approximately 0.31 percent of the projected average monthly CalWORKs caseload will continue to remain eligible under a higher income eligibility threshold as a result of the MAP increase.
- The projected average monthly CalWORKs caseload is 539,696 in FY 2014-15 and 519,338 in FY 2015-16.
- There are 1,686 cases in FY 2014-15 and 1,623 cases in FY 2015-16 that will no longer be discontinued due to the MAP increase.
- Based on the CalWORKs CA 800 report from calendar year 2014, the average CalWORKs monthly grant is \$465.26. The cost per case does not include the expenditures of the March 1, 2014 MAP increase to avoid budgeting the impact twice.
- Based on a grant calculation simulation using income from FFY 2013 RADEP sample data, this policy results in an increase to the average monthly grant of approximately \$24.55 per case for all CalWORKs cases.
- For cases that will no longer be ineligible or discontinued, the \$24.55 increase is added to the average monthly grant of \$465.26. This results in an average monthly grant of \$489.81 with the five percent MAP increase.
- The estimated cost of the five percent MAP increase in other premises is \$578,006 in FY 2014-15 and \$1,800,786 in FY 2015-16.
- Ongoing administrative and employment services costs are assumed to be reflected in the actual caseload trend.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Five Percent MAP Increase – March 1, 2014*

METHODOLOGY:

Total CalWORKs grant costs are the sum of the cases no longer ineligible or discontinued multiplied by the cost per case, and the total CalWORKs caseload multiplied by the average grant increase and then multiplied by 12 months. The value of the five percent MAP increase from other premises is added to the total grant costs.

FUNDING:

The funding for CalWORKs grant costs is 100 percent GF, which is offset by the Child Poverty and Family Supplemental Support Subaccount.

CHANGE FROM GOVERNOR’S BUDGET:

The FY 2014-15 and FY 2015-16 decreases reflect a decrease in the projected caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a decline in the projected caseload.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>				
Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.	
Five Percent MAP Increase – March 1, 2014	\$169,484	\$0	\$169,484	\$0	\$0	
		<u>FY 2015-16</u>				
Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.	
Five Percent MAP Increase – March 1, 2014	\$164,335	\$0	\$164,335	\$0	\$0	

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Five Percent MAP Increase – April 1, 2015*

DESCRIPTION:

This premise reflects the cost to the CalWORKs program as a result of increasing the MAP for all AUs by five percent effective April 1, 2015. The cost of the March 2014 and April 2015 five percent MAP increases is funded with the Child Poverty and Family Supplemental Support Subaccount of the LRF, including the amount in this subaccount that is carried over from prior FYs. The growth revenues deposited into the Child Poverty and Family Supplemental Support Subaccount of the LRF are monitored by the DOF to calculate the percent increase to the CalWORKs MAP. If sufficient funding is available through the Child Poverty and Family Supplemental Support Subaccount of the LRF, a subsequent MAP increase will be provided beginning October 1, 2015. For more information regarding the Child Poverty and Family Supplemental Support Subaccount of the LRF, see the CalWORKs Funding Subaccounts premise.

IMPLEMENTATION DATE:

This premise implemented on April 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11450.025.
- The projected average monthly CalWORKs caseload is 530,284 from April 2015 through June 2015 and 519,338 in FY 2015-16.
- Based on the reported incomes for CalWORKs cases in FFY 2013 RADEP sample data, approximately 0.67 percent of the projected average monthly CalWORKs caseload will continue to remain eligible under a higher income eligibility threshold as a result of the MAP increase. There are 3,574 cases from April 2015 through June 2015 and 3,500 cases in FY 2015-16 that will continue to remain eligible due to the MAP increase.
- The average CalWORKs monthly grant is \$489.81. This cost per case includes the March 2014 five percent MAP increase.
- Based on a grant calculation simulation using incomes from FFY 2013 RADEP sample data, this policy will result in an increase to the average monthly grant of \$24 for all CalWORKs cases.
- For cases that will continue to remain eligible, the \$24 increase is added to the average monthly grant of \$489.81. This results in an average monthly grant of \$513.81 after the five percent MAP increase.
- Ongoing administrative costs are assumed for cases that will continue to remain eligible. The administrative cost per case is \$29.70 based on the weighted average of SAR and AR/CO cases and the respective administrative cost per case.
- A general notification was provided to all CalWORKs cases as of April 2015 (532,320) to inform them of the five percent MAP increase. The mailing cost is \$0.51 per case, which is included in the total administration costs.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Five Percent MAP Increase – April 1, 2015*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Approximately 82.36 percent of cases that will continue to remain eligible (2,944 cases in FY 2014-15 and 2,883 cases in FY 2015-16) are assumed to receive CalWORKs employment services based on the calendar year 2014 actual caseload. The CalWORKs employment services cost per case is \$382.37.
- The estimated cost of the five percent MAP increase in other premises is \$460,854 in FY 2014-15 and \$1,870,540 in FY 2015-16.

METHODOLOGY:

- Total CalWORKs grant costs are the sum of the cases no longer ineligible or discontinued multiplied by the cost per case, and the total CalWORKs caseload multiplied by the average grant increase and then multiplied by three months in FY 2014-15 and by 12 months in FY 2015-16. The value of the five percent MAP increase from other premises is added to the total grant costs.
- For CalWORKs administration costs, the number of cases no longer ineligible or discontinued is multiplied by the cost per case, and then multiplied by three months in FY 2014-15 and by 12 months in FY 2015-16. The total mailing cost is calculated by multiplying the April 2015 CalWORKs caseload by the mailing cost per case, and added to the FY 2014-15 administration costs.
- For CalWORKs employment services costs, the number of cases no longer ineligible or discontinued is multiplied by the percentage receiving employment services, multiplied by the cost per case and then multiplied by three months in FY 2014-15 and by 12 months in FY 2015-16.

FUNDING:

The funding for CalWORKs grant costs is 100 percent GF, which is offset by the Child Poverty and Family Supplemental Support Subaccount. In FY 2014-15, the funding for grant costs is funded with 100 percent Child Poverty and Family Supplemental Subaccount. In FY 2015-16, the funding for grant costs is funded with 29.0 percent GF and 71.0 percent Child Poverty and Family Supplemental Support Subaccount. The funding for administration costs is 93.0 percent TANF and 7.0 percent GF. The funding for employment services is 97.7 percent TANF and 2.3 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 decreases in total grants and administration costs reflect a decrease in the projected caseload. The FY 2014-15 and FY 2015-16 increases in total employment services costs reflect an increase in the projected cases that will receive employment services.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2015-16 increases reflect a full year of implementation.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Five Percent MAP Increase – April 1, 2015*

EXPENDITURES:

(in 000s)

FY 2014-15

Five Percent MAP Increase – April 1, 2015	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	\$44,151	\$0	\$44,151	\$0	\$0
Item 101 – CalWORKs Employment Services	3,377	3,301	\$76	0	0
Item 101 – CalWORKs Administration	590	549	41	0	0
Total	\$48,118	\$3,850	\$44,268	\$0	\$0

FY 2015-16

Five Percent MAP Increase – April 1, 2015	Total	Federal	State	County	Reimb
Item 101 – CalWORKs Assistance	\$173,022	\$0	\$173,022	\$0	\$0
Item 101 – CalWORKs Employment Services	13,228	12,930	\$298	0	0
Item 101 – CalWORKs Administration	1,248	1,161	87	0	0
Total	\$187,498	\$14,091	\$173,407	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Pregnant Women*

DESCRIPTION:

This premise reflects the costs of providing early eligibility to pregnant women in the CalWORKs program. Under current law, CalWORKs benefits are provided to eligible pregnant women, 19 years of age or older, in the month in which the birth of the child is anticipated and three months immediately prior. AB 1579 (Chapter 632, Statutes of 2014) requires CalWORKs benefits be paid to a pregnant woman who is 19 years of age or older, in the month in which the birth is anticipated and six months immediately prior, upon verification of pregnancy. The CalWORKs benefits are provided to these women in an amount equal to that provided in an exempt AU of one if the mother and child, once born, would be otherwise eligible.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11450, as amended by AB 1579.
- Verification of pregnancy may occur as early as the fourth month of pregnancy; therefore, this policy change assumes an additional three months of CalWORKs benefits for the eligible cases.
- It is assumed that this policy will not change time on aid for eligible pregnant women.
- Based on the calendar year 2014 CDSS/MEDS longitudinal database and WDTIP, approximately 0.5 percent of CalWORKs caseload or 2,467 cases in FY 2015-16 will be eligible for CalWORKs benefits during the second trimester.
- For FY 2015-16, implementation is assumed to reach the eligible caseload over a three-month period, with full implementation by September 2015.
- The FY 2015-16 estimated grant and administrative costs are based on 6,784 casemonths. Casemonths are the number of times a cost is budgeted in a given time frame and provides a more simple method for calculating the annual cost when there is not an average monthly caseload.
- The grant cost per case is \$351 per month, which is equal to the exempt MAP for an AU of one in region one. This amount does not reflect the five percent MAP increase that implemented on March 1, 2014 (\$369) or the additional five percent MAP increase that will implement on April 1, 2015 (\$387).
- The value of the March 1, 2014 five percent MAP increase (\$119,066 in FY 2015-16) is included in the Five Percent MAP Increase - March 1, 2014 premise.
- The value of the April 1, 2015 five percent MAP increase (\$125,172 in FY 2015-16) is included in the Five Percent MAP Increase - April 1, 2015 premise.
- A \$47 per month special needs payment is paid to eligible pregnant women for each additional month on aid while pregnant. This payment is intended to provide for any pregnancy related expense and can be spent at the recipient's discretion.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Pregnant Women*

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average monthly cost per case for employment services is \$382.37.
- Based on calendar year 2014 CDSS/MEDS longitudinal database and WDTIP, approximately 92.4 percent of eligible cases are required to participate in WTW and will require employment services. The employment services costs in FY 2015-16 are based on approximately 2,280 cases (6,271 casemonths).
- The average monthly administrative cost per case is \$33.58.

METHODOLOGY:

- The grant costs are calculated by multiplying the sum of the exempt MAP for an AU of one and the special needs payment by the total casemonths.
- The employment services costs are calculated by multiplying the employment services cost per case by the total employment services casemonths.
- The administration costs are calculated by multiplying the administration cost per case by the total casemonths.

FUNDING:

The funding for grant costs is 89.5 percent TANF, 8.0 percent GF and 2.5 percent county. The funding for employment services costs is 97.5 percent TANF and 2.5 percent GF. The funding for administration costs is 93.3 percent TANF and 6.7 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 decrease reflects a decline in the projected caseload. The decline in caseload is due to the overall CalWORKs caseload decreasing faster than expected and the update to 2014 MEDS and WDTIP, indicating fewer pregnant women cases.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise that will implement in FY 2015-16.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Pregnant Women^{*}

EXPENDITURES:

(in 000s)

FY 2014-15

Pregnant Women	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
Total	\$0	\$0	\$0	\$0	\$0

FY 2015-16

Pregnant Women	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	\$2,700	\$2,417	\$216	\$67	\$0
Item 101 – CalWORKs Services	2,397	2,338	59	0	0
Item 101 – CalWORKs Administration	228	213	15	0	0
Total	\$5,326	\$4,968	\$290	\$68	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

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Minimum Wage Increase*

DESCRIPTION:

This premise reflects savings to the CalWORKs program as a result of increasing the minimum wage. The increased wages will result in decreased CalWORKs grants for cases with earnings, as well as administrative and employment service savings for cases that are discontinued from CalWORKs due to exceeding the income eligibility threshold. The minimum wage increased from \$8.00 per hour to \$9.00 per hour on July 1, 2014. A second increase (to not less than \$10.00 per hour) will go into effect on January 1, 2016. Cost impacts to IHSS programs are included in the IHSS Basic Services premise.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Labor Code section 1182.12.

CalWORKs

- The impacted cases will experience a reduction in monthly grant amount at the reporting period following the minimum wage increase on or after August 1, 2014. Cases working enough hours to exceed the CalWORKs income threshold will no longer be eligible for the CalWORKs program. These cases are impacted immediately due to the income reporting threshold under SAR and AR/CO.
- The projected average monthly CalWORKs caseload is approximately 540,000 in FY 2014-15 and 519,000 in FY 2015-16.
- Based on FFY 2013 RADEP data, 20.74 percent of CalWORKs cases include a working adult.
- Of the cases that include a working adult, 10.46 percent of the cases earn below \$8.99 per hour and, therefore, assumed to be directly affected by the minimum wage increase.
- Based on FFY 2013 RADEP sample data, approximately 3,600 cases are working enough hours to exceed the CalWORKs income eligibility threshold due to the increased earnings when the minimum wage rises to \$9.00 per hour and will no longer be eligible for the CalWORKs program. Approximately 5,700 cases will be working enough hours to exceed the CalWORKs income eligibility threshold after the subsequent increase in minimum wage to \$10.00 in January 2016.
- Cases affected by the minimum wage increase, but not discontinued, are impacted at their next reporting period.
- Of the cases that include a working adult, the average hours worked per month were 92.3 hours based on FFY 2013 RADEP sample data.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Minimum Wage Increase*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on FFY 2013 RADEP sample data, cases impacted by the minimum wage increase to \$9.00 per hour will experience an average increase in earnings of \$0.95 per hour; cases impacted by the wage increase to \$10.00 per hour will experience an average increase in earnings of \$1.45 per hour. Since cases impacted by the minimum wage are already working, it is assumed that their grants have already been adjusted for the impact of the initial \$225 EID.
- The average earnings increase results in a monthly grant reduction of \$0.48 per hour for the \$9.00 per hour minimum wage and \$0.72 due to the 50 percent disregard of remaining income.
- Grant savings due to the increased wages are \$87.97 per case after the minimum wage increase to \$9.00 an hour and \$133.63 per case after the increase to \$10.00 per hour, per month (approximately \$0.95 and \$1.45 grant reduction per hour multiplied by 92.3 work hours per month).
- Administration savings due to cases that exceed the income threshold and are no longer eligible for the CalWORKs program are \$26.85 per case, per month, which is the weighted average of administrative costs for impacted SAR cases and AR/CO cases.
- Employment services savings due to cases that exceed the income threshold, and are no longer eligible for the CalWORKs program, are \$382.37 per case per month.

CalFresh

- For the impact of the minimum wage on CFAP benefits, CalFresh benefit savings were calculated. Consistent with other estimates, a one percent multiplier is used to estimate the impact on CFAP benefits once the CalFresh estimate is calculated.
- Based on 2013 RADEP sample data 21.70 percent of cases have a working adult. Of that working population, 50.66 percent are affected by the increase to \$9.00 per hour, and 66.71 percent by the increase to \$10.00.
- Based on 2013 RADEP sample data, 80.24 percent of the CalFresh cases with a working adult are non-assistance, and 19.76 are public assistance.
- Using benefit calculations for a household of two and 2013 RADEP sample data on CalFresh wages, it is estimated that due to the increase to \$9.00 an hour, the average monthly grant savings will be \$23.00 for non-assistance households and \$12.00 for public assistance households. Due to the increase to \$10.00 an hour, the average monthly grant savings will be \$68.00 for non-assistance households and \$38.00 for public assistance households.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Minimum Wage Increase*

METHODOLOGY:

- Grant savings for cases impacted by the minimum wage increase but not discontinued are determined by multiplying the caseload by the average grant savings and the number of months impacted.
- Grant savings for cases that exceed the CalWORKs income eligibility threshold and are discontinued are determined by multiplying the discontinued cases by the average grant savings and months impacted.
- Administrative savings for cases that exceed the CalWORKs income eligibility threshold and discontinued are determined by multiplying the discontinued cases by the average administrative savings and months impacted.
- Employment services savings for cases that exceed the CalWORKs income eligibility threshold and are discontinued are determined by multiplying the discontinued cases by the average employment services savings and months impacted. The FY 2014-15 funding is adjusted to maintain the overall funding levels that have already been allocated to CWDs.
- Savings to CFAP benefits are calculated using total of the grant savings for non-assistance cases and for public assistance cases for each wage increase. No administration cost was calculated because there was not estimated to be a significant impact on CalFresh or CFAP enrollment.

FUNDING:

The funding for CalWORKs grants is 89.0 percent TANF, 8.5 percent GF and 2.5 percent county funds. The funding for CalWORKs administration is 93.0 percent TANF and 7.0 percent GF. The funding for CalWORKs employment services is 97.8 percent TANF and 2.2 percent GF. The funding for CFAP is 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 increases in grants, administration and services savings, and the FY 2015-16 increases in administration and services reflect a revised methodology to account for the compounding effect of consecutive minimum wage increases, which increased the projected number of cases who will income off due to higher wages. The FY 2015-16 decrease in grants reflects a technical adjustment to incorporate a phasing in of grant decreases due to higher incomes at an even distribution of SAR periods.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in grant savings reflects a methodology change to incorporate a phasing in of grant decreases due to higher incomes at an even distribution of recipients' SAR periods. Increases in administration and services savings reflect the revised methodology to account for the compounding effect of consecutive minimum wage increases, which increased the projected number of cases who will income off due to higher wages.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Minimum Wage Increase***EXPENDITURES:**

(in 000s)

FY 2014-15

Minimum Wage Increase	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	-\$8,393	-\$7,467	-\$714	-\$212	\$0
Item 101 – CalWORKs Employment Services	-9,268	-9,064	-204	0	0
Item 101 – CalWORKs Administration	-1,075	-1,000	-75	0	0
Item 101 – CFAP Assistance					
CFAP Benefits	-310	0	-310	0	0
Total	-\$19,046	-\$17,531	-\$1,303	-\$212	\$0

FY 2015-16

Minimum Wage Increase	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	-\$10,189	-\$9,064	-\$868	-\$257	\$0
Item 101 – CalWORKs Employment Services	-20,588	-20,135	-453	0	0
Item 101 – CalWORKs Administration	-1,446	-1,344	-102	0	0
Item 101 – CFAP Assistance					
CFAP Benefits	-773	0	-773	0	0
Total	-\$32,196	-\$30,543	-\$2,196	-\$257	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Eligibility – Truancy*

DESCRIPTION:

This premise reflects the elimination of the school attendance requirement and the grant reduction penalty for truant children under 16 receiving CalWORKs; these standards remain for children 16 years of age or older.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11253.5, as amended by AB 2382 (Chapter 905, Statutes of 2014).
- Based on February 2015 WDTIP data, approximately 3,723 one-parent cases and 744 two-parent cases received a penalty for no school attendance verification for a child under 16 years old.
- Under prior law, the penalty results in the loss of aid to the adult in a one-parent case and the loss of aid to the head of household in a two-parent case.
- The average one-parent case is composed of an AU of three, and the average two-parent case is comprised of an AU of four.
- Based on FFY 2013 RADEP data, the average one-parent grant for an AU of two is \$457.25 and an AU of three is \$515.25.
- The average one-parent grant for an AU of two is \$480.11 and an AU of three is \$541.01 with the March 1, 2014, five percent MAP increase. The average one-parent grant for an AU of two is \$504.12 and an AU of three is \$568.06 with the April 1, 2015, five percent MAP increase.
- Based on FFY 2013 RADEP data, the average two-parent grant for an AU of three is \$518.80 and an AU of four is \$598.20.
- The average two-parent grant for an AU of three is \$544.74 and an AU of four is \$628.11 with the March 1, 2014, five percent MAP increase. The average two-parent grant for an AU of three is \$571.97 and an AU of four is \$659.52 with the April 1, 2015, five percent MAP increase.
- The value of the March 1, 2014, five percent MAP increase (\$82,502 in FY 2014-15 and \$165,004 in FY 2015-16) is included in the Five Percent MAP Increase - March 1, 2014 premise.
- The value of the April 1, 2015, five percent MAP increase (\$43,313 in FY 2014-15 and \$173,254 in FY 2015-16) is included in the Five Percent MAP Increase - April 1, 2015 premise.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Eligibility – Truancy*

METHODOLOGY:

- The grant cost for one-parent cases is determined by multiplying the difference between the one-parent AU of two average grant and the one-parent AU of three average grant by one-parent caseload, and then by six months in FY 2014-15 and 12 months in FY 2015-16.
- The grant cost for two-parent cases is determined by multiplying the difference between the two-parent AU of three average grant and the two-parent AU of four average grant by two-parent caseload, and then by six months in FY 2014-15 and 12 months in FY 2015-16.
- The total cost is the sum of one-parent and two-parent grant costs.

FUNDING:

The CalWORKs grants are 89.5 percent TANF, 8.0 percent GF and 2.5 percent county.

CHANGE FROM GOVERNOR’S BUDGET:

The FY 2014-15 and FY 2015-16 decreases reflect a decline in the projected caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects a full-year of implementation.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>			
Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
CalWORKs Eligibility - Truancy	\$1,650	\$1,477	\$132	\$41	\$0
		<u>FY 2015-16</u>			
Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
CalWORKs Eligibility - Truancy	\$3,299	\$2,953	\$263	\$83	\$0

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

WTW 24-Month Clock*

DESCRIPTION:

This premise reflects the impact to CalWORKs grants for aided adult recipients who exceed 24 months of flexible WTW services and do not meet the CalWORKs participation requirements. The WTW 24-Month Clock provides 24 months of flexibility in meeting the CalWORKs federal requirements. This flexibility allows CalWORKs clients to receive a wider array of services and supports to enter and remain in the workforce, including education and barrier-removal services. After accumulating 24 months on this clock, recipients are required to focus on the employment-related activities that satisfy the CalWORKs federal participation requirements.

Under the CalWORKs federal participation requirements, aided adults, unless exempt, are required to engage in work activities. To comply with participation requirements, aided adults must participate in WTW activities for a specific number of hours per week, based on assistance unit demographics, of which a minimum of 20 hours must be spent in core activities. Individuals who do not comply with WTW program requirements are subject to a financial reduction equal to the adult's portion of the grant amount.

IMPLEMENTATION DATE:

The WTW 24-Month Clock implemented on January 1, 2013. Due to the timing of the release of implementation guidance and the duration of the noticing and noncompliance process, this premise is first anticipated to impact CalWORKs Grants funding beginning July 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 11322.85 through 11322.87.
- Based on April 2015 data from WDTIP, a monthly average of 3,910 cases have months used on their WTW 24-Month Clock and may reach the limit on their WTW 24-Month Clock in FY 2015-16, unless they have a clock stopper or receive an extension.
- Based on FFY 2014 data from RADEP and WDTIP, approximately 48.0 percent of cases with months used on their WTW 24-Month Clock are meeting the federal work participation rate; therefore, their WTW 24-Month Clock is stopped.
- Based on April 2015 data from WDTIP, approximately 14.7 percent of cases with months used on their WTW 24-Month Clock have an exemption; therefore, their WTW 24-Month Clock is stopped.
- A monthly average of 2,450 cases that have a clock stopper (since they are meeting federal work participation requirements or have an exemption) are removed from the caseload since they are not expected to utilize their entire WTW 24-Month Clock.
- The CWDs are permitted to extend the WTW 24-Month Clock for approximately 20 percent of the AUs in the county in which all adult members have reached the end of their 24-month period and have time remaining on their CalWORKs 48-month time limit on aid. A monthly average of approximately 780 cases will receive an extension in FY 2015-16, which is calculated by multiplying the average number of cases with months used on their WTW 24-Month Clock (3,910) by 20 percent.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

WTW 24-Month Clock*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Of the cases that do not receive an extension or have a clock stopper, it is assumed that 15 percent will begin meeting participation requirements or receive an exemption during the noncompliance process. In FY 2015-16, a monthly average of approximately 100 cases will begin to meet participation requirements or will receive an exemption during the noncompliance process.
- Of the cases that receive a grant reduction, it is assumed that within four months 10 percent will change their participation to begin meeting the CalWORKs federal requirements and have their grant restored. In FY 2015-16, a monthly average of approximately 30 cases will begin meeting participation requirements four months after a grant reduction.
- The number of cases that will receive a grant reduction is converted to adults to determine the grant savings. Based on April 2015 data from WDTIP, there are approximately 1.3 adults per case that have months used on their WTW 24-Month Clock.
- The average monthly grant savings due to removing a member from an AU of three, absent the five percent MAP increases, is \$122.00.
- Including the five percent MAP increase effective March 1, 2014, the average monthly grant savings for removing a member from an AU of three is \$128.00. The WTW 24-Month Clock grant savings from this MAP increase is \$50,721 for FY 2015-16.
- Including the five percent MAP increase effective April 1, 2015, the average monthly grant savings for removing a member from an AU of three is \$135.00. The WTW 24-Month Clock grant savings from this MAP increase is \$59,174 for FY 2015-16.
- The WTW 24-Month Clock grant savings associated with the MAP increases are reflected in the Five Percent MAP Increase premises.
- The WTW 24-Month Clock grant reductions are not anticipated to result in employment services or child care savings as these services would remain available in the event of client need.

METHODOLOGY:

- The grant reduction caseload is the cases that may reach the end of their 24-month period in FY 2015-16, minus the following cases: those with a clock stopper; cases that receive an extension; those that begin to meet participation requirements or receive an exemption during the noncompliance process; and those that will meet participation requirements four months after having the adult portion of the grant removed.
- The grant reduction caseload is multiplied by the adult per case ratio to determine the number of adults that will receive a grant reduction.
- The grant reduction savings is the average grant reduction adults multiplied by the grant savings from removing one member from an AU of three by 12 months.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

WTW 24-Month Clock*

FUNDING:

The funding for this premise is consistent with the funding ratios for the CalWORKs Grants premise.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 decrease in grant savings reflects an updated methodology that utilizes WTW 24-Month Clock data as opposed to CalWORKs 48-Month Clock data. The updated methodology indicates that fewer cases will receive a grant reduction in FY 2015-16.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements July 1, 2015.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
WTW 24-Month Clock	\$0	\$0	\$0	\$0	\$0

FY 2015-16

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
WTW 24-Month Clock	-\$1,032	-\$923	-\$83	-\$26	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Federal Immigration Reform Impact*

DESCRIPTION:

This premise reflects increased costs to the CalWORKs, CalFresh, CAPI and IHSS programs as the result of the President's Immigration Accountability Executive Action on November 20, 2014, which expanded DACA and created DAPA. Deferred action is an administrative relief from deportation which authorizes a non-legal immigrant to remain in the United States temporarily without fear of deportation, in an effort to reduce illegal immigration at the border and prioritize deportation of felons. The Immigration Executive Action extends the removal action period and employment authorization from two years to three years for DACA eligible, and allows DAPA eligible to request deferred action and employment authorization for the same period of three years. The federal deferred action application process may take six months or longer and requires certain undocumented immigrants to pass a criminal background check and pay taxes.

To be eligible for the expanded DACA program, an individual must meet the following requirements: entered the United States before age sixteen; has lived in the United States continuously since January 1, 2010; must be in school or have graduated or completed high school or a general education development certificate on the date of the deferred action application; and has not been convicted of certain criminal offenses. To be eligible for DAPA, a parent must meet the following requirements: has lived in the United States continuously since January 1, 2010; was physically present in the United States on November 20, 2014, and had a son or daughter who is a United States citizen or a lawful permanent resident; and is not an enforcement priority for removal.

IMPLEMENTATION DATE:

This premise is anticipated to implement on October 1, 2015, pending results of federal injunction.

KEY DATA/ASSUMPTIONS:

CalFresh

- The implementation of DAPA under the President's Executive Action would not make these non-qualified immigrants eligible for CalFresh under current state or federal law. However, there are potential DAPA applicants whose children are currently eligible for, but not receiving CalFresh, who would now apply for CalFresh benefits.
- A portion of the DAPA eligible who are not currently receiving benefits for their citizen children will apply for benefits without fear of deportation once they begin the application process for deferred action.
- Based on data from the University of Southern California's Center for the Study of Immigrant Integration and consistent with the Migration Policy Institute analysis of United States Census Bureau data, there are an estimated 1.12 million DAPA eligible parents residing in California with approximately 1.59 million minor children.
- Based on the University of California's study, approximately 93 percent of the minor children of DAPA eligible parents are United States citizens, resulting in approximately 1.33 citizen children per DAPA eligible.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Federal Immigration Reform Impact*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on FFY 2013 RADEP sample data on non-assistance CalFresh households with an undocumented parent, it is assumed that 596,842 of the DAPA eligible in California are excluded members of households that are currently receiving CalFresh.
- Based on FFY 2013 RADEP data on non-assistance CalFresh households with an undocumented parent, it is assumed that that 51.46 percent of the remaining 519,158 DAPA eligible (those that are not participating in CalFresh for their citizen children) are women of child bearing age.
- Based on an American Community Survey Report on the Foreign-Born Population in the United States in 2010, it is assumed that 7.03 percent of women of child bearing age will have an additional citizen child in a 12-month period which will prompt the low income households to seek CalFresh benefits.
- Applicants who are approved for DAPA status are permitted to work and many are anticipated to have earnings. Therefore, it is assumed that smaller family sizes are not likely to meet income eligibility requirements due to their earnings. Those who are eligible are assumed unlikely to participate in CalFresh due to the low benefit amount for which they would be eligible. Therefore, it is anticipated that five percent of DAPA eligible women who will have an additional child will then apply for CalFresh benefits for their citizen children, which results in a total 939 DAPA eligible that will apply for CalFresh benefits.
- The birth of an additional child results in 2.33 children per DAPA eligible who will apply for CalFresh.
- Based on calendar year 2014 data, approximately 33.90 percent of new CalFresh applications are denied.
- It is anticipated that this policy will reach its full caseload impact over a six-month period beginning October 1, 2015.
- Based on 2005 time study data, the cost of intake for a new CalFresh household is \$51.00.
- Based on historical caseload attrition, it is estimated that approximately four percent of the caseload will leave monthly and four percent will enter monthly. There will be an intake cost for the new cases that enter CalFresh.
- Based on 2005 time study data, 7.2 percent of CalFresh households report mid-period and the cost of mid-period reporting is \$28.23 per month. Mid-period changes for this premise are anticipated to begin November 1, 2015.
- The cost for a quarterly report is \$39.33 per quarter. Quarterly reports for this premise are anticipated to begin January 1, 2016.

CalWORKs

- Of the 939 DAPA eligible who will apply for CalFresh for their citizen children, it is assumed 36.2 percent will apply for CalWORKs based on FFY 2013 RADEP sample data on the proportion of CalFresh households that also receive CalWORKs.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Federal Immigration Reform Impact*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Since included in the DAPA application requirements, fingerprinting and other forms of identification are no longer anticipated to be barriers for current non-assistance CalFresh households to apply for CalWORKs benefits on behalf of their citizen children.
- There are 211,175 non-assistance CalFresh households potentially eligible for DAPA. It is estimated that 80.03 percent of these household are income eligible for CalWORKs based on the 2013 SNAP RADEP sample.
- It is anticipated that five percent of DAPA eligible non-assistance CalFresh households that are income eligible for CalWORKs will apply for aid.
- Of the cases that will seek CalWORKs assistance, 59.18 percent will be approved for CalWORKs grants based on the CA 237 CW Report.
- It is anticipated that this policy will reach its full caseload impact over a six-month period beginning October 1, 2015.
- Based on the CA 800 Cash Assistance Report, the average monthly grant cost per person is \$215.85 without the five percent MAP increases.
- The value of the March 1, 2014 five percent MAP increase (\$843,671 in FY 2015-16) is included in the Five Percent MAP Increase - March 1, 2014 premise.
- The value of the April 1, 2015 five percent MAP increase (\$894,657 in FY 2015-16) is included in the Five Percent MAP Increase - April 1, 2015 premise.
- One time intake administrative cost per case of \$197.75 is assumed for the cases that will seek CalWORKs assistance.
- Ongoing administrative costs are assumed for cases that approved for CalWORKs benefits. The administrative cost per case is \$24.96 based on the AR/CO administrative cost per case.

CAPI

- Based on the Migration Policy Institute analysis of United States Census Bureau data, it is assumed that there are 1.2 million expanded DACA and DAPA eligible individuals living in California. It is assumed that 0.02 percent are eligible for CAPI program.
- The average service cost is \$764.93 per case. The average administration cost is \$68.61 per case.
- It is anticipated that this policy will reach its full caseload impact over a six-month period beginning October 1, 2015.

IHSS

- It is assumed there will be 101,700 new Medi-Cal cases.
- Of those new Medi-Cal cases, it is assumed two percent will be eligible for the IHSS program.
- It is estimated that the average service cost is \$976.22 per case and average administration cost is \$75.14 per case.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Federal Immigration Reform Impact*

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is anticipated that this policy will reach its full caseload impact over a six-month period beginning October 1, 2015.

Special Programs

- This premise includes \$5.00 million for non-profit legal service organizations to provide application assistance to undocumented immigrants eligible for deferred action under the President's Order.
- Of the \$5.00 million, \$191,000 will be used for state operations to implement the program.

METHODOLOGY:

CalFresh

The new CalFresh applicants are determined by multiplying the total DAPA eligible but not participating in CalFresh by the percentage of women of child bearing age, by the percent that will have additional children over a 12-month period and the percent that will apply for CalFresh.

The new CalFresh applicants are divided by six to determine the number of applicants that will apply each month beginning October 2015 through March 2016. The new applicants are discounted by the percent that are denied to determine the new CalFresh entrants.

The intake administration costs are calculated by multiplying the cases that enter by the intake cost for an eligibility worker to process new non-assistance CalFresh cases.

Starting in November 2015, the additional intake costs for eligibility determination are calculated by multiplying the cases that entered the prior month by the attrition rate and the cost of intake for a new CalFresh household.

The CalFresh ongoing administration costs for quarterly reports are calculated by multiplying the cases that enrolled the last quarter by the quarterly report cost.

The CalFresh ongoing administration costs for mid-period changes are calculated by multiplying the enrolled cases by the percent each would require a mid-period change and by the cost to process a mid-period report on a monthly basis.

The total intake eligibility and ongoing administration costs for each month are added to determine the total annual cost.

CalWORKs

The new to aid applicants are determined by multiplying the total DAPA eligible that will apply for CalFresh by the percent that will also apply for CalWORKs.

The CalFresh to CalWORKs applicants are determined by multiplying the DAPA eligible non-assistance CalFresh households by the percent of these households that are CalWORKs income eligible, the percent that will apply for aid and the percent that will be approved for CalWORKs.

The total new applicants are the new to aid applicants plus the CalFresh to CalWORKs applicants. The new applicants are divided by six to determine the number of applicants that will apply each month beginning October 2015 through March 2016.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Federal Immigration Reform Impact*

METHODOLOGY (CONTINUED):

The grant cost is determined by multiplying total new applicant households by number of children in each household, by average cost per person and then by the number of months impacted in each FY.

The administration cost is determined by multiplying the number of applicant cases who apply for aid by the intake cost per case plus the number of approved cases by ongoing administration cost per case by the impacted months in each FY.

CAPI and IHSS

The estimated CAPI and IHSS costs are calculated by multiplying the average monthly caseload by the average cost per case per year. The new applicants are divided by six to determine the number of applicants that will apply each month beginning October 2015 through March 2016.

Special Programs

The Federal Immigration Assistance funding for non-profit legal service organizations is based on the total amount budgeted for application assistance less the state operations cost.

FUNDING:

The CalFresh administration funding is 50 percent SNAP, 35 percent GF and 15 percent county.

The CalWORKs grant funding is 89.0 percent TANF, 8.5 percent GF and 2.5 percent county.

The CalWORKs administration funding is 93.0 percent TANF and 7.0 percent GF.

For CAPI program, funding is 100 percent GF. For the IHSS program, there is no federal share. Funding for non-federal share is 100 percent GF due to implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

The Special Programs cost for non-profit legal service organizations to provide application assistance is funded with 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Federal Immigration Reform Impact*

EXPENDITURES:

(in 000s)

FY 2014-15

Federal Immigration Reform Impact	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	\$0	\$0	\$0	\$0	\$0
Item 101 – CalWORKs Administration	0	0	0	0	0
Item 111 – SSI/SSP	0	0	0	0	0
Item 111 – IHSS Services	0	0	0	0	0
Item 111 – IHSS Administration	0	0	0	0	0
Item 141 – CalFresh Administration	0	0	0	0	0
Item 151 – Special Programs					
Federal Immigration Assistance	0	0	0	0	0

FY 2015-16

Federal Immigration Reform Impact	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	\$17,050	\$15,172	\$1,451	\$427	\$0
Item 101 – CalWORKs Administration	2,563	2,385	178	0	0
Item 111 – SSI/SSP	1,360	0	1,360	0	0
Item 111 – IHSS Services	12,907	0	12,907	0	0
Item 111 – IHSS Administration	994	0	994	0	0
Item 141 – CalFresh Administration	108	54	38	16	0
Item 151 – Special Programs					
Federal Immigration Assistance	4,809	0	4,809	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Drug Felon Eligibility*

DESCRIPTION:

This premise reflects the costs of providing CalWORKs and CalFresh eligibility (including benefits) to adults currently ineligible for benefits due to their drug felony conviction. As a condition of eligibility to receive CalWORKs and CalFresh benefits, the recipient or applicant must comply with the terms of the supervised release, probation or parole as appropriate.

IMPLEMENTATION DATE:

This premise implemented on April 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11251.3.

CalWORKs

- The RADEP sample data, adjusted by actual drug and fleeing felon caseload shift as reported on the CalWORKs Cash Grant Caseload Movement Report (CA 237) reflects approximately 7,090 and 7,800 drug and fleeing felon child-only CalWORKs cases in FFY 2012 and FFY 2013, respectively.
- Per the 2012 California Department of Corrections and Rehabilitation Outcome Evaluation Report, the recidivism rate within the first year of general release is 45.6 percent. The rate is then reduced by 50 percent to 22.8 percent for CalWORKs cases due to the receipt of WTW program services. This rate will be reduced by an additional 50 percent for those cases released for longer than a year.
- Per the Fraud Investigation Activity Report (DPA 266) for FY 2013-14, 56.9 percent of felon cases are identified as drug felon cases.
- A total of 3,884 CalWORKs cases will become newly eligible in both FY 2014-15 and FY 2015-16.
- Exactly 79.8 percent of the newly eligible cases with a drug felon adult will receive employment services based on the total aided adult CalWORKs caseload compared to the employment services caseload.
- For FY 2014-15, based on FFY 2013 RADEP sample data, the average felon case is comprised of an AU of two and the average CalWORKs case with an aided adult is comprised of an AU of three. The difference in the grant amount between an AU of two and an AU of three is \$122.00 (\$135.00 including the April 2015 five percent MAP increase) per month per case.
- These adults participate in WTW and obtain earnings through employment, so the average ongoing grant will mirror the average grant of an existing CalWORKs case with an eligible WTW adult. This results in a grant savings of \$10.60 per month per case beginning in FY 2015-16.
- The employment services cost per case is \$382.37.
- These cases will be notified of their updated eligibility status. The average cost of postage for the mailer is \$0.49 per case.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Drug Felon Eligibility*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Since these cases will no longer be child-only, they will shift from annual reporting to semiannual reporting, adding an average administrative cost of \$8.62 per month per case.
- Based on FFY 2013 RADEP sample data, the CalWORKs felon cases have an average of 1.30 children per AU.
- Based on the Stage One Child Care utilization rate for FY 2013-14, 15.72 percent of the employment services cases will utilize child care during the initial year of implementation. As the families' situation stabilizes, 22.96 percent of the employment services cases will utilize child care in FY 2015-16.
- The child care cost per child is \$672.74.

CalFresh/CFAP

- The average CalFresh caseload from April 2015 through June 2015 is projected to be 1,819,347 persons and the average CalFresh caseload for FY 2015-16 is projected to be 1,884,831 persons.
- Based on historical CalFresh data, 7.55 percent of CalFresh cases are comprised of two adults.
- Based on the CalFresh Monthly Caseload Movement Statistical Report (DFA 296) data for calendar year 2014, 34.74 percent of CalFresh applications are denied for a reason other than a drug felony. Additionally, 10.56 percent of CalFresh applications are withdrawn or are non-compliant due to not completing a drug rehabilitation program.
- Statewide CalFresh data is extrapolated from WCDS-CalWIN consortia data. Based on the Food Stamp Program Participation and Benefit Issuance Report (DFA 256) data for calendar year 2014, there are 699,728 CalFresh recipients in WCDS-CalWIN. This comprises 40.63 percent of the total state CalFresh caseload.
- Based on FFY 2013 data from the WCDS-CalWIN consortia system, 586 persons were denied CalFresh due to a non-exempt drug felony, as adjusted by the denial and withdrawal rates. Of these persons, 144 were part of an existing CalFresh household.
- In FY 2014-15, 374 CalFresh adults will become newly eligible and will be added to an existing household, and 183 new households will become eligible each month for the initial six months of implementation. Beginning in FY 2015-16, 388 CalFresh adults will become newly eligible and will be added to an existing household.
- Persons within an existing CalFresh household who are currently ineligible for CalFresh benefits due to a drug felony will receive CalFresh beginning the month of implementation. New persons/households will be added to the caseload over a 12-month period.
- Based on 2005 time study data, the cost of intake for an eligibility determination of a new CalFresh household is \$51.00.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Drug Felon Eligibility*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on historical CalFresh data, a 4.0 percent monthly attrition rate is applied for intake administrative costs.
- Based on 2005 time study data, 7.2 percent of CalFresh households report mid-period and the cost of mid-period reporting is \$28.23 per month.
- The cost for a quarterly report (QR-7) is \$39.33 per quarter.
- The total administrative savings related to SAR are limited to the amount necessary to offset GF costs. Therefore, CalFresh SAR savings are not anticipated.
- Based on FY 2013-14 State Issuance and Participation Estimates Report (FNS 388) data, the average CalFresh benefit per person is \$141.16.
- The CFAP impact is one percent of the CalFresh impact.

METHODOLOGY:

CalWORKs

- The total CalWORKs felon caseload is multiplied by the grant impact and then by the number of months in the applicable FY. The impact due to the March 2014 and April 2015 five percent MAP increases are reflected in those respective premise items.
- The total CalWORKs drug felon caseload is multiplied by the postage cost to determine the administrative costs for sending notices in FY 2014-15.
- The total CalWORKs drug felon caseload is multiplied by the cost for the additional reporting period, then by the number of months applicable in that FY to determine the administrative costs for moving the CalWORKs felon caseload from annual reporting to semiannual reporting.
- The total CalWORKs drug felon caseload is multiplied by the percentage of cases that will receive employment services to determine the CalWORKs drug felon employment services caseload. This caseload is multiplied by the employment services cost per case and then by the number of months applicable in that FY to determine the total employment services cost.
- The CalWORKs drug felon employment services caseload is multiplied by the child care utilization rate for FY 2013-14, then by the average number of children per AU to determine the child care caseload. These cases are multiplied by the Stage One Child Care cost per case and the number of months in the applicable FY to determine the total Stage One Child Care cost.

CalFresh/CFAP

- The WCDS-CalWIN cases denied due to a drug felony are multiplied by the denial and withdrawal rates to determine the cases that would not have been eligible for CalFresh regardless of their drug felon status. This is subtracted from the WCDS-CalWIN CalFresh caseload to create an adjusted WCDS-CalWIN CalFresh drug felon caseload.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Drug Felon Eligibility*

METHODOLOGY (CONTINUED):

- The adjusted WCDS-CalWIN CalFresh drug felon caseload is then multiplied by the percentage of those adding to an existing CalFresh household and those creating a new CalFresh household to split the caseload into the two categories of CalFresh cases.
- These percentages are then applied to the overall state CalFresh caseload in both FYs to determine the total state caseload impact and the ratio of new households and persons adding to existing households.
- New households are divided by six months and added to the caseload over the initial six months of implementation.
- New households and persons added to an existing household are multiplied by the CalFresh benefit per person to determine the total benefit cost.
- The number of new CalFresh households is multiplied by the one-time intake cost. The percentage of households that report mid-period is multiplied by the new CalFresh households, which is then multiplied by the mid-period report cost.
- The total CalFresh household caseload is multiplied by the postage cost to determine the administrative costs for sending notices in FY 2014-15.
- The CalFresh benefit and administrative costs are multiplied by one percent to determine the CFAP benefit and administrative costs.

• FUNDING:

The funding for CalWORKs grants is 89.0 percent TANF, 8.5 percent GF and 2.5 percent county. The funding for CalWORKs administration is 93.0 percent TANF and 7.0 percent GF. The funding for CalWORKs employment services is 97.8 percent TANF and 2.2 percent GF. The funding for CalWORKs Stage One Child Care is 91.9 percent TANF and 8.1 percent GF.

The funding for CalFresh administration is 50 percent SNAP and 50 percent GF. The CFAP funding is 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The CalWORKs decrease primarily reflects a reduction in the estimated drug felon caseload based on actual data.

The CalFresh/CFAP decrease primarily reflects a lower caseload projection based on more recent data.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in CalWORKs grants reflects the assumption that the CalWORKs drug felon cases will begin working, which results in a slightly lower average grant cost for the AU compared to the MAP when the adult is not yet working in the first year of implementation. The increase in CalWORKs administration, employment services and Stage One Child Care primarily reflects a full year of implementation, as well as a greater utilization of Stage One Child Care in the second year of eligibility. The CalFresh/CFAP increase primarily reflects a full year of implementation.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Drug Felon Eligibility***EXPENDITURES:**

(in 000s)

FY 2014-15

Drug Felon Eligibility	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	\$1,422	\$1,265	\$121	\$36	\$0
Item 101 – CalWORKs Employment Services	3,555	3,308	247	0	0
Item 101 – CalWORKs Administration	103	101	2	0	0
Item 101 – CalWORKs Child Care	1,279	1,175	104	0	0
Item 101 – CFAP Benefits	3	0	3	0	0
Item 141 – CalFresh Administration	32	16	16	0	0
Item 141 – CFAP Administration	0	0	0	0	0
Item 141 – Automation	90	78	12	0	0
Total	\$6,483	\$5,942	\$505	\$36	\$0

FY 2015-16

Drug Felon Eligibility	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	-\$482	-\$429	-\$41	-\$12	\$0
Item 101 – CalWORKs Employment Services	14,220	13,907	313	0	0
Item 101 – CalWORKs Administration	402	374	28	0	0
Item 101 – CalWORKs Child Care	7,467	6,862	605	0	0
Item 101 – CFAP Benefits	26	0	26	0	0
Item 141 – CalFresh Administration	226	113	113	0	0
Item 141 – CFAP Administration	2	0	2	0	0
Item 141 – Automation	0	0	0	0	0
Total	\$21,861	\$20,827	\$1,046	-\$12	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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CalWORKs Employment Services^{*}

DESCRIPTION:

This premise reflects the cost of providing services to individuals in the CalWORKs 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. The CalWORKs Employment Services premise includes funding previously identified for CalWORKs Basic Services, Safety Net and RNE cases. This premise is also consolidated to include the County Performance Incentives premise.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

CalWORKs Employment Services

- Authorizing statute: W&IC section 15204.3(a).
- The Employment Services caseload is comprised of all adults required to participate in WTW as well as those with a WTW exemption who are voluntarily participating.
- The TANF portion of the Long-Term Sanction services costs (\$21,764,000 in FY 2014-15) are shifted from TANF to GF.
- Based on actual caseload trend data of the unduplicated, noncompliance, good cause and WTW Sanction counts from the CalWORKs WTW Monthly Activity Reports (WTW 25 and WTW 25A) for the past 36 months, the CalWORKs Employment Services caseload is projected to be 230,370 for FY 2015-16.
- The CalWORKs Employment Services monthly cost per case is approximately \$382.37 based on a three-year average of the funding and caseload from FY 2006-07 through FY 2008-09. Detailed information on how the methodology for CalWORKs Employment Services was developed can be referenced in the 2013-14 Governor's Budget, Estimate Methodologies section.
- Hardship cases are estimated to be 0.33 percent of the total projected CalWORKs Employment Services expenditures (less contract costs) based on county expenditure claims for calendar year 2014. This amount is shifted from TANF to GF/MOE, as these cases are not federally eligible.
- Based on county expenditure claims for calendar year 2014, RNE cases are estimated to be 1.52 percent of the total CalWORKs Employment Services expenditures (less contract costs). This amount is shifted from TANF to GF/MOE.
- Based on caseload information from the CA 800 expenditure reports, the state-only RNE recipients who are ineligible for TANF benefits make up approximately 51.59 percent of RNE and the remaining 48.41 percent are federally eligible recipients in mixed households.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

CalWORKs Employment Services^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

- The Long-Term Sanction services funding is projected to be \$66,761,259 in FY 2015-16. The TANF portion of the total cost (\$65,258,000 in FY 2015-16) is shifted from TANF to GF. See the CalWORKs Non-MOE Long-Term Sanction premise for additional details.
- Based on actual Safety Net services expenditures and caseload data for calendar year 2014, the services funding for Safety Net cases is projected to be \$4,296,054 for FY 2015-16. The funding reflects approximately 3,911 Safety Net cases based on the CalWORKs WTW Monthly Activity Reports (WTW 25 and WTW 25A) for the past 36 months.
- Contract costs are projected to be \$3,888,308 for FY 2015-16.
- A \$16,701,922 adjustment is made to the FY 2015-16 total Employment Services funding for the estimated caseload reduction resulting from the \$8.00 per hour to \$9.00 per hour minimum wage increase which implemented July 1, 2014. Since the impact of the minimum wage increase is already reflected in the caseload and expenditure trend, the adjustment is made to avoid duplicative budgeting of the fiscal and caseload impacts. Refer to the Minimum Wage Increase premise for additional details.

County Performance Incentives

- Authorizing Statute: W&IC sections 10544.1 and 10544.2.
- Incentive funds shall be available for encumbrance and expenditure by counties until all funds are expended.
- Based on FY 2012-13 and FY 2013-14 expenditure information reported by counties, the unexpended performance incentive balance in FY 2014-15 is \$4,766,698.
- It is assumed that all remaining incentive funds will be spent in FY 2014-15.

METHODOLOGY:

The CalWORKs Employment Services base funding is determined by multiplying the projected caseload by the monthly cost per case by twelve months. The total CalWORKs Employment Services funding is determined by adding the contract costs and the minimum wage adjustment to the base funding.

For County Performance Incentives, any funds from the remaining balance that are unspent in the prior FY are reappropriated to the current FY. It is anticipated that the balance available will be fully expended in FY 2014-15.

FUNDING:

The services costs for RNE cases, Safety Net cases, Long-Term Sanction and Hardship cases are 100 percent GF. The Safety Net and Long-Term Sanction costs are shifted from MOE GF to non-MOE GF in the CalWORKs Non-MOE and the CalWORKs Non-MOE Long-Term Sanction premises. All other costs are 100 percent TANF.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

CalWORKs Employment Services*

CHANGE FROM GOVERNOR'S BUDGET:

There is no change in Employment Services costs in FY 2014-15; however, the change in the federal and state share is due to shifting the TANF costs for the Long-Term Sanction cases to GF. The FY 2015-16 decrease in Employment Services reflects a lower projected Employment Services caseload. The decrease in County Performance Incentives reflects updated county expenditure data.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2015-16 increase in Employment Services reflects the adjustment made for the caseload savings from increasing the minimum wage to \$9.00 per hour and a higher projected Employment Services caseload in FY 2015-16. The decrease in County Performance Incentives reflects the assumption that there will be no remaining funds available in FY 2015-16.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
CalWORKs Employment Services	\$1,060,406	\$1,012,597	\$47,809	\$0	\$0
**County Performance Incentives – Reappropriation	4,767	4,767	0	0	0

FY 2015-16

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
CalWORKs Employment Services	\$1,077,621	\$988,094	\$89,527	\$0	\$0
**County Performance Incentives – Reappropriation	0	0	0	0	0

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Mental Health and Substance Abuse Services^{*}

DESCRIPTION:

This premise reflects the cost to provide mental health and substance abuse services to CalWORKs WTW participants in need of these services to obtain or retain employment. The CWDs must provide a plan for the treatment of mental health difficulties and 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 CWDs 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: W&IC sections 11322.6, 11325.7 and 11325.8.
- ABX4 4 (Chapter 4, Fourth Extraordinary Session, Statutes of 2009) provided county flexibility to redirect funding allotted for mental health and substance abuse services to and from CalWORKs Employment Services funding.
- The flexibility to redirect mental health and substance abuse funding to and from CalWORKs Employment Services ended on June 30, 2014.
- A history of recent actual expenditures absent this flexibility are not yet available; therefore, there is no change in the projected FY 2014-15 and FY 2015-16 mental health and substance abuse expenditures amounts of \$76.3 million and \$50.3 million, respectively.

METHODOLOGY:

The projected mental health expenditures and substance abuse services expenditures are summed to obtain the total funding.

FUNDING:

The funding for this premise is 100 percent GF/MOE.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Mental Health and Substance Abuse Services^{*}

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Mental Health & Substance Abuse Services	\$126,606	\$0	\$126,606	\$0	\$0

FY 2015-16

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Mental Health & Substance Abuse Services	\$126,606	\$0	\$126,606	\$0	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Mental Health and Substance Abuse – 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 Indian health clinic. Services provided are necessary to obtain or retain employment or to participate in county or TANF WTW activities.

The services may include: (a) outreach and identification of individuals who are receiving, or may be eligible for CalWORKs program assistance; (b) screening of individuals for mental health and/or substance abuse issues; (c) ensuring individuals have transportation to 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 CWD; and (f) facilitating the integration of individuals into the CalWORKs WTW program.

IMPLEMENTATION DATE:

This premise implemented in FY 2001-02.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 10553.15 and 11322.6.
- The Legislature appropriated \$1,943,000 for mental health and substance abuse services in 36 Indian health clinics.
- Each Indian health clinic receives approximately \$53,950.
- There are 35 clinics currently operating in FY 2014-15, but an additional clinic may enter the program at any time during the year.
- There are 36 clinics anticipated to operate in FY 2015-16.

METHODOLOGY:

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

FUNDING:

These costs are funded with 100 percent GF and are TANF/MOE-eligible.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

Mental Health and Substance Abuse – Indian Health Clinics*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Mental Health & Sub Abuse - Indian Health Clinics	\$1,943	\$0	\$1,943	\$0	\$0

FY 2015-16

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Mental Health & Sub Abuse - Indian Health Clinics	\$1,943	\$0	\$1,943	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Family Stabilization*

DESCRIPTION:

This premise reflects the funding for family stabilization services to remove barriers to self-sufficiency and improve child well-being. As a component of the CalWORKs program, Family Stabilization provides intensive case management and services to clients who are experiencing an identified situation or crisis that is destabilizing the family and would interfere with adult clients' ability to participate in WTW activities and services.

IMPLEMENTATION DATE:

This premise implemented January 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11325.24.
- Based on actual caseload trend data from the CalWORKs WTW Monthly Activity Reports (WTW 25 and WTW 25A), the projected CalWORKs Employment Services caseload is 230,370 for FY 2015-16.
- Of the projected employment services caseload, 7.5 percent will receive family stabilization services.
- Family stabilization services will require an additional two and a half hours per month at the employment services worker cost of \$57.57 per hour.

METHODOLOGY:

- The family stabilization cost per case is determined by multiplying the employment services worker cost per hour by the monthly number of hours per case for family stabilization services.
- The family stabilization caseload is the monthly average employment services caseload multiplied by the percent of cases that will receive family stabilization services.
- The total family stabilization funding is the family stabilization caseload multiplied by the family stabilization cost per case by 12 months.

FUNDING:

The federal and state share of costs mirror the CalWORKs Employment Services base funding ratios for TANF and GF/MOE.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change to FY 2014-15. The FY 2015-16 decrease reflects a lower projected CalWORKs Employment Services caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects a higher projected CalWORKs Employment Services caseload.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Family Stabilization *

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Family Stabilization	\$29,654	\$28,926	\$728	\$0	\$0

FY 2015-16

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Family Stabilization	\$29,840	\$29,168	\$672	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Standardized Appraisal Tool*

DESCRIPTION:

This premise reflects the funding for the development and implementation of a statewide standardized appraisal tool, known as the Online CalWORKs Appraisal Tool. This appraisal tool will lead to more expedient and effective placement in WTW activities and referral to supportive services. The funding for this premise includes automation, CWD training and services costs. This premise also includes contracted vendor costs to customize, deploy and implement the Online CalWORKs Appraisal Tool. For statewide implementation, the contractor's responsibilities include continued hosting, in depth statewide training of county caseworkers and additional support of the appraisal tool.

IMPLEMENTATION DATE:

This premise implemented January 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11325.2.
- Based on actual caseload trend data from the CalWORKs WTW Monthly Activity Reports (WTW 25 and WTW 25A), the projected CalWORKs Employment Services caseload is 230,370 for FY 2015-16.
- Based on FFY 2014 data from RADEP, the WTW 25 and the WTW 25A, it is assumed that 8.58 percent of the CalWORKs Employment Services caseload will be new work-eligible entrants.
- Services funding is provided for an additional one hour of caseworker time with each new work-eligible entrant to utilize the appraisal tool at the average caseworker cost of \$57.57 per hour.
- To ensure funding is available as needed, services costs are included for all CWDs; however, the timing for utilization of a standardized appraisal tool may vary across the state.
- A portion of the services cost will be used to fund updates to the scope of work and ongoing contracted service needs.
- There are projected automation costs of \$500,000 in FY 2015-16.

METHODOLOGY:

- The monthly appraisal caseload is calculated by multiplying the projected CalWORKs Employment Services caseload by the percent that are new work-eligible entrants.
- The services cost is calculated by multiplying the average monthly appraisal caseload by the additional cost for one hour per appraisal for 12 months.

FUNDING:

The services costs utilize the CalWORKs Employment Services base funding ratios for TANF and GF/MOE. The automation costs are 100 percent TANF.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Standardized Appraisal Tool*

CHANGE FROM GOVERNOR'S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 decrease in services costs reflects a decline in the percentage of Employment Services cases that are new work-eligible entrants and a lower projected Employment Services caseload. There is no change in automation costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in services costs reflects the one-time training costs budgeted in FY 2014-15. This decrease is partially offset by a higher projected Employment Services caseload. The increase in automation cost reflects programming of the Online CalWORKs Appraisal Tool into SAWS beginning in FY 2015-16.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Standardized Appraisal Tool	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Services	\$15,521	\$15,145	\$376	0	0
Item 141 – County Administration	0	0	0	0	0
Total	\$15,521	\$15,145	\$376	\$0	\$0

	<u>FY 2015-16</u>				
Standardized Appraisal Tool	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Services	\$13,656	\$13,348	\$308	0	0
Item 141 – County Administration	500	500	0	0	0
Total	\$14,156	\$13,848	\$308	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Housing Support Program^{*}

DESCRIPTION:

This premise reflects funding for the CalWORKs Housing Support Program. The intent of the Housing Support Program is to provide evidence-based interventions to CalWORKs families that are homeless or at risk of homelessness. Recognizing stable housing as a critical need for self-sufficiency and child well-being, this funding allows CWDs to assist homeless families to quickly obtain permanent housing and to provide wrap-around supports. Rapid re-housing and targeted homelessness prevention programs have been implemented nationwide as cost effective strategies to help families exit or avoid homelessness and retain permanent housing.

The duration of housing subsidies varies depending on the individual needs of the family. The core components of a successful Housing Support Program include comprehensive and coordinated entry with community partners along a continuum of care, housing identification, rent and moving assistance, focused case management and services based on individual participant needs. Services could include, but are not limited to, landlord outreach and engagement, housing search and placement, housing barrier assessment, legal services and credit repair.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 11330 through 11330.5.
- The Budget Act of 2014 appropriated \$20 million for Homeless and Housing Support services for FY 2014-15.
- For FY 2015-16, \$20 million is budgeted for Homeless and Housing Support services.
- Statute allows all CalWORKs families to be eligible for Housing Support Program services, regardless of their asset or income levels, when the county finds that the family is experiencing homelessness or housing instability that is a barrier to self-sufficiency or child well-being.
- Counties have the flexibility to design their own county specific Housing Support Program plan to serve the needs of their community, but are required to use evidenced-based models, including those established in the federal Department of Housing and Urban Development's Homeless Prevention and Rapid Re-Housing Program.
- A total of 41 counties were interested in implementing or expanding an existing Housing Support Program in their county.
- In September 2014, 20 counties were awarded Housing Support Program funds, which must be used before June 30, 2015.
- Individual county program plans differed in terms of eligibility requirements, services offered and duration of a family's eligibility.

^{*}Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Housing Support Program*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Housing Support Program expenditures for non-federally eligible families (such as RNEs) are funded with GF and can be counted as MOE. Expenditures for Non-MOE families (such as child-only populations in which all of the adults are federally ineligible) are funded with GF and cannot be counted as MOE.
- Based on a November 2014 county survey regarding individual Housing Support Programs, it is anticipated that 59 percent of expenditures will be TANF MOE and 41 percent will be Non-MOE GF due to the broad population of CalWORKs families that are anticipated to utilize Housing Support services.

METHODOLOGY:

The funding is based on the 2014-15 Appropriation for both FY 2014-15 and FY 2015-16.

FUNDING:

The Housing Support Program costs for RNE cases and TANF Timed-Out cases are 100 percent MOE GF. The costs for Safety Net, Zero Parent, TCVAP and CalWORKs non-minor dependents are 100 percent Non-MOE GF. All other costs are 100 percent TANF.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change in total funding. The increase in federal funds and decrease in GF in both FY 2014-15 and FY 2015-16 reflects a decrease in the projected percentage of services that will be provided to non-federal families.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Housing Support Program	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Services	\$20,000	\$8,724	\$11,276	\$0	\$0
TANF Page – Non-TANF/MOE Eligible Expenditures	-8,119	0	-8,119	0	0
	<u>FY 2015-16</u>				
Housing Support Program	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Services	\$20,000	\$8,724	\$11,276	\$0	\$0
TANF Page – Non-TANF/MOE Eligible Expenditures	-8,119	0	-8,119	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Administrative Costs*

DESCRIPTION:

This premise reflects administrative costs for the CalWORKs program. The basic costs include costs for general administration, coordination and overhead such as the salaries and benefits of the staff performing activities related to eligibility determination. The basic costs also include costs for preparing budgets, monitoring programs, fraud units, services related to accounting, litigation, payroll, personnel and costs for the goods and services. Other related costs required for the administration of the program include 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 PCAB process, modified by a cost containment system consistent with W&IC section 14154. Beginning with FY 2001-02, the PCAB process was eliminated and the last PCAB process, FY 2000-01, established the base from which future costs are determined. Adjustments for caseload changes and other factors are made to the base during each Governor's Budget and May Revision.

In addition to the basic CalWORKs Administrative Costs, this premise also includes administrative funding for Work Verification. A detailed description of this premise can be referenced in Estimate Methodologies section of the 2012 May Revision.

IMPLEMENTATION DATE:

The CalWORKs administration premise implemented on January 1, 1998. The Work Verification premise implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

CalWORKs Administrative Costs

- Authorizing statute: W&IC section 14154.
- The TANF portion of the Long-Term Sanction administration costs (\$1,469,000 in FY 2014-15) are shifted from TANF to GF.
- The CalWORKs caseload is projected to decrease by 3.8 percent in FY 2015-16, resulting in a decrease of approximately \$28.4 million in total funds in FY 2015-16.
- The CalWORKs Administrative Costs base funding is projected to be approximately \$725.1 million in FY 2015-16.
- The total EBT savings are approximately \$10.6 million in FY 2015-16.
- For FY 2015-16, staff development costs are projected to be \$16.1 million based on actual expenditures in calendar year 2014.
- The SAWS development and testing interface costs are approximately \$129,000 in FY 2015-16.
- Administrative costs related to the Merced Automated Global Information Control system are approximately \$272,000 in FY 2015-16.
- Time limit savings is approximately \$40.1 million in FY 2015-16.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Administrative Costs*

KEY DATA/ASSUMPTIONS (CONTINUED):

- The homeless assistance expenditures did not increase over the base year. Therefore, no adjustment to administration funding is provided in FY 2015-16.
- Legacy Systems savings are approximately \$12.1 million in FY 2015-16.
- Contract costs are approximately \$4.1 million in FY 2015-16.
- *Be Vu v. Mitchell* base funding is \$63,797 in FY 2015-16.
- Based on caseload information from the CA 800 report, the state-only RNE recipients who are ineligible for TANF benefits make up 52.7 percent of RNE and the remaining 47.3 percent are federally eligible recipients in mixed households.
- Funding for Safety Net administrative costs is \$40.1 million in FY 2015-16.
- Savings from restoring CalWORKs administrative funding to the actual FY 2005-06 spending level are \$140.0 million for FY 2015-16.
- Beginning April 2015, Los Angeles County will process their county's closed cases for the RADEP sample. An additional \$48,000 annually will be provided for this purpose in FY 2015-16.
- The Long-Term Sanction administration funding is projected to be \$4,738,000 for FY 2015-16. The TANF portion of the total cost (\$4,408,000 in FY 2015-16) is shifted from TANF to GF. See the CalWORKs Non-MOE Long-Term Sanction premise for additional details.

Work Verification

- Authorizing statute: Federal Deficit Reduction Act of 2005.
- Funding may be used by counties to hire additional staff, retrain existing staff and/or pay for 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 WPR and avoid penalties associated with inadequate documentation and verification of the data used in calculating the rates.
- The total average CalWORKs caseload is 539,696 in FY 2014-15 and 519,338 in FY 2015-16.
- Effective March 1, 2015, 14,550 long-term sanctioned cases will be shifted from TANF/GF to non-MOE GF and will no longer be subject to federal reporting requirements. Therefore, these cases are removed from the work verification caseload. See CalWORKs Non-MOE Long-Term Sanctioned premise for additional details.
- Based on information from CWDA, of the cases that participated in work activities in FY 2009-10, 80 percent have pay stubs that fulfill work verification requirements (documented hours for which the individual was paid). Twenty percent of cases will require additional documentation by the county.
- Of the cases that participate through non-work activities, 100 percent will require additional documentation by the county.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Administrative Costs*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Per FFY 2013 RADEP sample data, 55.7 percent of the total cases that are subject to federal work participation requirements are participating at some level.
- Of the cases that participate at some level, 35.4 percent participate either partially or fully through work activities and 64.6 percent fully participate through non-work activities.
- The average eligibility worker cost is \$57.57 per hour.
- Ten minutes of administrative time per month at a cost of \$9.60 per case is needed to verify participation for cases that participate through work. Fifteen minutes of administrative time per month at a cost of \$14.39 per case is needed for cases that participate through non-work activities.
- Of the cases that participate through work activities, 20 percent will require work verification for ten minutes per case.
- Of the cases that participate in non-work activities, 100 percent will require work verification for 15 minutes per case.

METHODOLOGY:

The administrative costs for Safety Net and the \$140 million restoration in CalWORKs administrative funding are added to the base funding. The total CalWORKs administrative costs are calculated by summing the base funding, the administrative costs for Safety Net and the \$140 million restoration.

The work verification costs are calculated by multiplying the cases that require work verification by the eligibility worker cost for the specific number of minutes (ten minutes for cases that participate in work activities and 15 minutes for cases that participate in non-work activities).

FUNDING:

Costs for Safety Net and RNE families are 100 percent GF (funding for Safety Net and a portion of felon cases are funded with Non-MOE GF). Contract costs are 100 percent TANF. All other costs are 93.4 percent TANF and 6.6 percent state MOE. Due to a federal audit exception, TANF hardship cases are funded with MOE instead of TANF funds effective September 1, 2009.

Costs for work verification activities are 100 percent TANF funded.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change in CalWORKs administration total costs in FY 2014-15; however, the change in the Federal and State share is due to shifting the TANF costs for the Long-Term Sanction cases to GF. The FY 2015-16 decrease in CalWORKs administration reflects a decrease in the projected caseload.

The FY 2014-15 and FY 2015-16 decreases in work verification reflect the removal of Long-Term Sanctioned cases since they are funded with non-MOE GF and are no longer subject to federal reporting requirements.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Administrative Costs^{*}

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in CalWORKs administrative costs reflects projected caseload decline.

The decrease in work verification reflects projected caseload decline.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Administration	Total	Federal	State	County	Reimb.
CalWORKs Admin	\$893,432	\$803,778	\$89,654	\$0	\$0
Work Verification	14,710	14,710	0	0	0

FY 2015-16

Item 101 – CalWORKs Administration	Total	Federal	State	County	Reimb.
CalWORKs Admin	\$863,444	\$772,025	\$91,419	\$0	\$0
Work Verification	14,155	14,155	0	0	0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Fraud Recovery Incentives^{*}

DESCRIPTION:

This premise reflects the incentive payments made annually to counties for the detection of fraud. Beginning in 2002, each county receives 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 Reconciliation Act of 1996 (PL 104-193).

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11486(j).
- Based on the FNS 209 Status of Claims Against Households Report for FY 2013-14, client-caused overpayments represent a weighted average of 65.1 percent of all collections. The statewide average is weighted by the amount of overpayment collections for each individual county.
- The total actual CalWORKs overpayment collections for FY 2013-14 were \$55.0 million.
- The total estimated CalWORKs overpayment collections for FY 2014-15 are \$55.0 million based on overpayment collections for FY 2013-14.
- Based on the FNS 209 Status of Claims Against Households Report for calendar year 2014, client-caused overpayments represent a weighted average of 66.2 percent of all collections.
- The total estimated CalWORKs overpayment collections for FY 2015-16 are \$58.5 million based on a trend of the most recent two years of collections.
- Based on the amount of overpayment collections, incentive payments are made annually to the counties in arrears.
- Counties receive 12.5 percent of the overpayment collections due to client-caused overpayments.
- Overpayments are assumed to be funded 97.5 percent TANF/MOE and 2.5 percent county.

METHODOLOGY:

The county incentive payment is the product of the total estimated overpayment collections multiplied by the TANF share of collections (97.5 percent), multiplied by the percentage of client-caused errors (65.1 percent in FY 2014-15 and 66.2 percent in FY 2015-16) and multiplied by the county incentive (12.5 percent).

FUNDING:

The fraud recovery incentive funds are 100 percent TANF.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Fraud Recovery Incentives^{*}

CHANGE FROM GOVERNOR’S BUDGET:

There is no change in FY 2014-15. The increase in FY 2015-16 reflects an increase in the projected overpayment collections and the Client Caused Error Rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects an increase in the projected overpayment collections and the Client Caused Error Rate.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Administration	Total	Federal	State	County	Reimb.
Fraud Recovery Incentives	\$4,363	\$4,363	\$0	\$0	\$0

FY 2015-16

Item 101 – CalWORKs Administration	Total	Federal	State	County	Reimb.
Fraud Recovery Incentives	\$4,719	\$4,719	\$0	\$0	\$0

**Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.*

Shared Eligibility*

DESCRIPTION:

This premise reflects the shift of common eligibility costs that are shared across the CalWORKs, CalFresh and Medi-Cal programs, as well as the allocation of administrative costs associated with recipients of dual (CalWORKs and CalFresh) benefits, to the CalFresh budget. This premise consolidates premises previously referred to as Medi-Cal Services Eligibility/Common Costs and the Public Assistance to Non-Assistance Fund Shift.

The Medi-Cal Services Eligibility program mandates CDSS to instruct counties to modify the eligibility determination process so that eligibility for Medi-Cal is determined prior to eligibility for the CalWORKs program. Some eligibility determination costs for clients in common are shared equally across the three benefiting programs. The common intake eligibility costs are claimed through the County Expense Claim to the CalWORKs budget and distributed to Medi-Cal and CalFresh accordingly. The Medi-Cal portion of costs is reflected as a savings in the CalWORKs budget and then budgeted as costs at DHCS. The CalFresh portion of common eligibility costs is also reflected as a savings in the CalWORKs budget and is then shifted to the CalFresh budget through the Public Assistance to Non-Assistance Fund Shift.

The ongoing eligibility costs for CalFresh recipients who also receive CalWORKs are charged as CalWORKs administrative costs through the County Expense Claim process. The federal DHHS, Division of Cost Allocation directed CDSS to distribute costs for eligibility determination activities among the benefiting programs. A methodology based on the ratio of CalWORKs and Public Assistance CalFresh caseload and administrative expenditure data is used to determine the portion of the eligibility, case management and program integrity activity costs in CalWORKs that also benefit CalFresh. These ongoing eligibility costs are shown as savings in the CalWORKs budget and shifted as costs to CalFresh in the Public Assistance to Non-Assistance Fund Shift.

IMPLEMENTATION DATE:

The Medi-Cal Services Eligibility Common Costs implemented on July 1, 1998.
The Public Assistance to Non-Assistance Fund Shift implemented in March 1984.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 14154.

Medi-Cal Services Eligibility Common Costs

- The Medi-Cal common costs were approximately \$69.03 million in 2013 and \$69.99 million in 2014, which reflects a year to year change of approximately 1.4 percent.
- The Medi-Cal common costs will maintain the same year to year change in FY 2014-15 and FY 2015-16.

Public Assistance to Non-Assistance Fund Shift

- The Public Assistance to Non-Assistance Fund Shift for ongoing administrative costs were approximately \$146.20 million in 2013 and \$142.96 million in 2014, which reflects a year to year change of -2.2 percent.
- The Public Assistance to Non-Assistance Fund Shift for intake eligibility costs mirror the Medi-Cal common costs.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Shared Eligibility*

METHODOLOGY:

Medi-Cal Services Eligibility Common Costs

- The Medi-Cal common cost expenditures are calculated by multiplying the percent change of the actual expenditures over the prior two years by the prior year expenditures.

Public Assistance to Non-Assistance Fund Shift

- The Public Assistance to Non-Assistance Fund Shift for ongoing administrative costs is calculated by multiplying the percent change of the actual fund shifts over the prior two years by the prior year fund shift.
- The total Public Assistance to Non-Assistance Fund Shift is calculated by adding the projected ongoing administrative costs to the projected Medi-Cal intake common cost eligibility determination expenditures.

FUNDING:

The CalWORKs savings are 100 percent TANF. The non-assistance CalFresh costs are shared 50 percent SNAP, 35 percent GF and 15 percent county funds.

CHANGE FROM GOVERNOR'S BUDGET:

The increase in the Medi-Cal Services Eligibility Common Cost for FY 2014-15 and FY 2015-16 reflects updated actual expenditures which indicate a higher growth than previously projected. For the Public Assistance to Non-Assistance Fund Shift, there is no change for FY 2014-15 and the increase in the amount shifted for FY 2015-16 reflects updated actual expenditure data for intake eligibility determinations and ongoing eligibility costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in the Medi-Cal Services Eligibility Common Cost reflects updated actual expenditure data for intake eligibility determinations. The decrease in the Public Assistance to Non-Assistance Fund Shift reflects updated actual expenditure data for ongoing eligibility cost, slightly offset by an increase in the cost for eligibility determinations at intake.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Shared Eligibility*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Administration	Total	Federal	State	County	Reimb.
PA to NA Fund Shift	-\$213,325	-\$213,325	\$0	\$0	\$0
Medi-Cal Svcs. Elig./Common Costs	-70,958	-70,958	0	0	0
Item 141 – CalFresh Administration					
PA to NA Fund Shift	213,325	106,663	74,664	31,998	0

FY 2015-16

Item 101 – CalWORKs Administration	Total	Federal	State	County	Reimb.
PA to NA Fund Shift	-\$208,641	-\$208,641	\$0	\$0	\$0
Medi-Cal Svcs. Elig./Common Costs	-71,944	-71,944	0	0	0
Item 141 – CalFresh Administration					
PA to NA Fund Shift	208,641	104,322	73,024	31,295	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Court Cases*

DESCRIPTION:

This premise reflects projected settlement costs and attorney fees associated with CalWORKs, IHSS, CAPI, SSI/SSP, APS, FC, CalFresh, AAP, CWS, CCL and Special Programs. The costs result from the settlement of lawsuits related to local assistance in accordance with Control Section 5.25 of the 1998 Budget Act.

IMPLEMENTATION DATE:

Attorney fees and settlement costs are anticipated to be paid in FY 2014-15 and FY 2015-16.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: Control Section 5.25 of the 1998 Budget Act.
- Item 101 CalWORKs Administration – A total of \$565,000 is budgeted in FY 2014-15 and \$700,000 is budgeted in FY 2015-16.
- Item 111 IHSS, CAPI, SSI/SSP, APS and Special Programs – A total of \$313,000 is budgeted in FY 2014-15 and \$440,000 is budgeted in FY 2015-16.
- Item 141 FC, AAP and CalFresh Administration – The FC and AAP programs portion of this estimate is included in 2011 Realignment. For CalFresh, no cost is anticipated in FY 2014-15 or FY 2015-16.
- Item 151 CWS and CCL Administration – The CWS program portion of this estimate is included in 2011 Realignment. For CCL, no cost is anticipated in FY 2014-15 and a total of \$3.3 million is budgeted in FY 2015-16.
- For more information on the FC, AAP and CWS programs portion, refer to the 2011 Realignment tab.

METHODOLOGY:

Cost estimates are based on actual and projected attorney fees, settlement costs and miscellaneous writs to be paid in FY 2014-15 and FY 2015-16.

FUNDING:

The CalWORKs administration funding is 100 percent TANF. The IHSS, CAPI, SSI/SSP, APS, CCL and Special Programs funding is 100 percent GF. The CalFresh funding is 50 percent SNAP and 50 percent GF. The funding for the FC, AAP and CWS programs portion are included in 2011 Realignment.

CHANGE FROM GOVERNOR'S BUDGET:

The decrease in CalWORKs, IHSS, CAPI, SSI/SSP, CalFresh and CCL in FY 2014-15 reflects updated attorney fees and settlement projections. The increase in CalWORKs, IHSS, CAPI, SSI/SSP and CCL in FY 2015-16 is the result of court case costs now expected to settle in FY 2015-16. There is no change in CalFresh costs in FY 2015-16.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Court Cases***REASON FOR YEAR-TO-YEAR CHANGE:**

The increase in CalWORKs and CCL reflects updated attorney fees and settlement projections. The increase in IHSS, CAPI and SSI/SSP reflects updated attorney fees and settlement projections. There is no change in CalFresh costs.

EXPENDITURES:

(in 000s)

FY 2014-15

Court Cases	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Administration	\$565	\$565	\$0	\$0	\$0
Item 111 – IHSS Administration	313	0	313	0	0
Item 141 – CalFresh Administration	0	0	0	0	0
Item 151 – CCL Administration	0	0	0	0	0

FY 2015-16

Court Cases	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Administration	\$700	\$700	\$0	\$0	\$0
Item 111 – IHSS Administration	440	0	440	0	0
Item 141 – CalFresh Administration	0	0	0	0	0
Item 151 – CCL Administration	3,300	0	3,300	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

State/County Peer Review*

DESCRIPTION:

This premise reflects the costs for CDSS to implement the state and county peer review process for the CalWORKs program. During FY 2007-08, a WTW County Peer Review program was developed in collaboration with counties and CWDA through a County Peer Review Advisory Team. The primary purpose of the County Peer Review program was for counties and CDSS to perform on-site peer reviews of CWD WTW programs to identify and share best practices, promising practices, opportunities for improvement and strategies that could positively impact the WPR.

Under the County Peer Review program, CDSS staff and peer county staff from two CWDs visit other CWDs to review their CalWORKs policies, procedures and data to improve performance outcomes. Since the peer reviews are mandatory under current law, it is necessary to provide CWDs with appropriate funding to participate in these county peer review visits. This premise reflects the costs associated with reimbursement for county staff to fill in for the staff participating in the county review ("backfilling") as well as travel and per diem costs.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 10533.
- The county peer reviews will resume in FY 2014-15.
- There are five projected county peer reviews in FY 2014-15 and 12 projected county peer reviews in FY 2015-16.
- Each county peer review requires one day of travel for preparation and training followed by a separate five day visit to complete the peer review.
- One manager and one staff person from each of the two visiting counties will travel to the host county to conduct the county peer review visit. Two staff persons from the host county will participate in the peer review.
- The travel and per diem costs for each person from the visiting counties is \$1,427 for each peer review.
- This estimate includes the costs to backfill four county staff: one staff person from each of the two visiting counties and two staff persons from the host county. No backfill is assumed for managers.
- Based on a county survey completed during the development of the County Peer Review program, the average daily salary and benefits for a county frontline employment services caseworker for an eight hour day is \$286.40.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

State/County Peer Review ^{*}

METHODOLOGY:

- The travel and per diem cost for each county peer review is determined by multiplying the travel and per diem costs for each person by the number of managers and staff participating in the peer review from visiting counties.
- The total backfill cost for each county peer review is determined by multiplying the average daily salary by the number of staff participating in the review and by the number of days required for each peer review.
- The full cost for each peer review is the travel and per diem cost plus the backfill cost.
- The total funding for peer reviews is the full cost for each peer review multiplied by the number of reviews to be completed in the FY.

FUNDING:

This premise is funded with 100 percent TANF.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2015-16 increase reflects a higher number of projected county peer reviews.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>				
Item 101 – CalWORKs Administration	Total	Federal	State	County	Reimb.	
State/County Peer Review	\$63	\$63	\$0	\$0	\$0	
		<u>FY 2015-16</u>				
Item 101 – CalWORKs Administration	Total	Federal	State	County	Reimb.	
State/County Peer Review	\$151	\$151	\$0	\$0	\$0	

**Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.*

Research and Evaluation *

DESCRIPTION:

This premise reflects the costs for the research and evaluation of the direct and indirect effects of the CalWORKs program. Studies are also conducted to ensure that county demonstration projects and other innovative county approaches to CalWORKs program implementation are rigorously evaluated. Findings of the studies are reported to the legislature. The evaluation of county-specific programs is to be developed in conjunction with the county and other appropriate agencies responsible for the local program. This premise includes research projects such as the Child Care Snapshot Study and the SB 1041 CalWORKs Evaluation.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

Authorizing statute: W&IC sections 11520 through 11522.

METHODOLOGY:

The total funds in FY 2014-15 and FY 2015-16 are held to historical funding levels.

FUNDING:

In FY 2014-15 the costs are funded with TANF. In FY 2015-16 the costs are funded with both TANF and GF. The GF is used to fund the non-TANF/MOE-eligible portion of the Child Care Snapshot Study.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change to total funds. However, a funding shift for FY 2015-16 reflects a decrease in the GF and an increase in the federal share due to an update to the Child Care Snapshot Study fund schedule.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change to total funds. The FY 2015-16 increase in the GF share reflects a portion of the Child Care Snapshot Study.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Research and Evaluation *

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Administration	Total	Federal	State	County	Reimb.
Research and Evaluation	\$4,000	\$4,000	\$0	\$0	\$0

FY 2015-16

Item 101 – CalWORKs Administration	Total	Federal	State	County	Reimb.
Research and Evaluation	\$4,000	\$3,754	\$246	\$0	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

CalWORKs and CalFresh Reporting*

DESCRIPTION:

This premise reflects the administrative savings associated with QR/PB, SAR and AR/CO system for CalWORKs, CalFresh and CFAP. CDSS was required to replace the QR/PB system with SAR and AR/CO systems to the extent permitted by federal law, regulations, waiver and directives.

Under SAR, recipients' eligibility and benefits are determined prospectively for a six-month period. The determination is based on information reported by recipients on the semiannual report form. In addition, all CalWORKs recipients are required to report mid-period any changes in household income or any changes in income that exceed the income reporting threshold. The reporting threshold is established at 55 percent of FPL based on an AU of three, plus the amount of income last used to determine the AU's benefits; the level that would render the AU ineligible; or the amount that would render the recipient ineligible for federal SNAP benefits, whichever is less. CalFresh recipients must report mid-period if their income exceeds 130 percent of the FPL.

The SAR is required for all CalWORKs and CalFresh cases, except certain child-only CalWORKs AUs who are required to report annually and certain CalFresh households who are subject to change reporting. Effective January 1, 2016, CalFresh households subject to change reporting will be converted to SAR and the savings associated with these cases are displayed in the Eliminate Change Reporting premise. Per statute, the administrative savings that may be reflected in this premise pertaining to SAR are limited to the net GF costs of SAR. Additional savings in excess of these net GF costs may be reflected to the extent that they are based on actual savings related to the SAR change and are calculated based on data developed in consultation with CWDA.

For AR/CO, recipients' annual eligibility and benefits are determined prospectively based on information reported by recipients on the annual redetermination form. In addition, all CalWORKs recipients are required to report mid-period any changes in household composition or any changes in income that exceed the same income reporting threshold as established for SAR.

This premise consolidates the QR/PB, SAR and AR/CO premises. Additional details regarding these three premise items are located in the 2014 May Revision binder.

IMPLEMENTATION DATE:

The QR/PB reporting requirement implementation varied by counties between November 1, 2003, and June 30, 2004.

The AR/CO reporting requirements implemented in October 2012.

The SAR reporting requirements implemented in October 2013.

KEY DATA/ASSUMPTIONS:

- The total caseload is the sum of SAR and AR/CO caseloads.
- The estimated benefit costs and administrative savings of both AR/CO and SAR are based on statistical information comparing the QR/PB system to the AR/CO and SAR system.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs and CalFresh Reporting*

KEY DATA/ASSUMPTIONS (CONTINUED):

- The cost for mailing a report form to a recipient is \$0.78.
- The CalWORKs eligibility worker cost is \$57.57 per hour.
- The CalFresh eligibility worker cost is \$58.27 per hour.
- Based on the 2005 county time study data, the amount of time needed for CalWORKs continuing case activities under QR is 26 minutes (\$24.95) per month per case and 13 minutes (\$13.11) per month per case for non-assistance CalFresh and CFAP.
- Based on county time study data collected during October and November 2005, the funding needed to process mid-quarter activities (voluntary and mandatory mid-period reporting and county-initiated contact) is \$8.63 per case for CalWORKs and \$28.23 per case for non-assistance CalFresh and CFAP. Mid-period activity cost per case is assumed to remain the same under SAR.
- The CalWORKs, non-assistance CalFresh and CFAP cases will require an additional five minutes to perform income assessments at redetermination under SAR and AR/CO. The income assessments will now be combined with the annual redetermination.
- It is projected that some cases will stay on aid longer due to the change in reporting requirements (i.e., cases that become ineligible for not submitting a report will stay on aid additional months), partially offset by those cases reaching the CalWORKs income reporting threshold. The CalWORKs assistance and CFAP benefit impacts are reflected in trend and are not identified separately in this premise.

AR/CO

- Authorizing Statute: W&IC sections 11265.45, 11265.46, 11265.47 and 11265.48.
- AR/CO Caseloads: The AR/CO costs are based on approximately 243,000 average monthly CalWORKs cases in FY 2014-15 and approximately 234,000 average monthly CalWORKs cases in FY 2015-16.
- The number of required CalWORKs reports was reduced from four quarterly reports and one annual redetermination to only one annual redetermination.
- Due to the reduced reporting required under AR/CO, the amount of time needed for CalWORKs continuing case activities is reduced to approximately 16 minutes per month at a cost of \$15.35 per case.
- Average CalFresh and CFAP mid-period activity costs increased by approximately \$0.25 per case due to the AU change reporting requirement.
- The AR/CO policy also requires cases to report changes in household composition. It is assumed that approximately 6,900 CalWORKs cases per month in FY 2014-15 and 6,600 CalWORKs cases per month in FY 2015-16 will report a change in household composition. These cases will be required to report mid-period for both their CalWORKs and CalFresh/CFAP benefits. Household composition changes will result in mid-period administrative costs.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs and CalFresh Reporting*

KEY DATA/ASSUMPTIONS (CONTINUED):

SAR

- Authorizing statute: W&IC sections 11265.1, 11265.2, 11265.3, 11450, 11450.12, 11450.13, 11451.5 and 18910.
- SAR Caseloads: The FY 2014-15 SAR costs are based on approximately 297,000 average monthly CalWORKs cases, approximately 1,785,100 average monthly non-assistance CalFresh cases and approximately 19,300 average monthly CFAP. The FY 2015-16 SAR costs are based on approximately 286,000 average monthly CalWORKs cases, approximately 1,884,800 average monthly non-assistance CalFresh cases and approximately 20,600 average monthly CFAP cases.
- The SAR for non-assistance CalFresh and CFAP cases require one additional report as compared to the AR/CO reporting requirements.
- Based on FFY 2012 RADEP data, non-assistance CalFresh and CFAP caseloads are reduced by 28.58 percent to remove cases that are change reporters (generally elderly or disabled households with no earned income or seasonal workers with infrequent changes in household income status).
- Approximately \$17.61 million and \$18.67 million of the savings in FY 2014-15 and FY 2015-16, respectively, are due to implementation of the ACA. The CalFresh Reporting savings associated with ACA are deducted from this premise and displayed in the CalFresh and CFAP Caseload Impact of the ACA premise to avoid duplicate budgeting of savings.
- Under SAR, the number of required CalWORKs reports was reduced from four quarterly reports and one annual redetermination to one SAR report and one annual redetermination.
- Due to the reduced reporting under SAR, the time needed for CalWORKs continuing case activities is reduced to 19 minutes per month at a cost of \$18.50 per case. The non-assistance CalFresh and CFAP continuing case activities are nine minutes per month at a cost of \$9.73 per case.
- The CalWORKs, non-assistance CalFresh and CFAP household composition change reporting requirements remain the same as required under QR/PB; however, under SAR, counties are required to act on any voluntary report of a change in household composition resulting in decreased benefits for CalFresh and CFAP. It is assumed that the number of voluntary household composition change reports received under SAR will remain the same as those received under QR/PB, resulting in no fiscal impact due to SAR implementation.
- The total SAR impact on CalWORKs grants due to cases staying on aid longer is \$14.0 million in FY 2014-15 and \$12.7 million in FY 2015-16.
- The additional SAR 7 Eligibility Status Report cost for non-assistance CalFresh and CFAP cases with an associated CalWORKs child-only case is assumed to be \$15.25 per year.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs and CalFresh Reporting*

METHODOLOGY:

- The CalWORKs, non-assistance CalFresh and CFAP administrative savings associated with continuing case activities under SAR (and AR/CO for CalWORKs) are calculated by multiplying the per case continuing costs by the case months of those required to report on a semiannual basis and comparing the cost to QR costs.
- The CalWORKs, non-assistance CalFresh and CFAP administrative savings due to reduced mailing of report forms are calculated by multiplying the SAR (and AR/CO for CalWORKs) caseload by the number of quarterly reports in one FY compared to the same caseload multiplied by the number of semiannual/annual reports and multiplying the difference by \$0.78 (the cost to mail one report).
- The administrative savings for reduced mailings are offset by the administrative costs for income assessment at redetermination and for cases staying on longer. The costs for income assessment at redetermination are calculated by multiplying the additional caseworker time by the impacted caseload.
- The increased non-assistance CalFresh and CFAP caseload cost is calculated by multiplying the cumulated monthly increase in cases by the ongoing administrative cost per case.
- The total administrative savings for SAR are limited to the amount necessary to offset GF costs in each respective program.
- The following tables provide a breakout of the administrative savings (in thousands) for FY 2014-15 and FY 2015-16:

FY 2014-15

	Total	QR	SAR	AR/CO
Item 101 – CalWORKs Administration	-\$101,974	-\$62,794	-\$13,954	-\$25,226
Item 141 – CalFresh Administration	-129,038	-129,038	0	0
Item 141 – CFAP Administration	-2,134	-1,530	-604	0
Total	-\$233,146	-\$193,362	-\$14,558	-\$25,226

FY 2015-16

	Total	QR	SAR	AR/CO
Item 101 – CalWORKs Administration	-\$97,379	-\$60,425	-\$12,706	-\$24,248
Item 141 – CalFresh Administration	-136,784	-136,784	0	0
Item 141 – CFAP Administration	-2,292	-1,636	-656	0
Total	-\$236,455	-\$198,845	-\$13,362	-\$24,248

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs and CalFresh Reporting*

FUNDING:

The funding for CalWORKs administration is 93.0 percent TANF and 7.0 percent GF.

The CalFresh administration funding is 50 percent SNAP, 35 percent GF and 15 percent county. The CFAP costs are 100 percent GF; MOE eligible shares of cost are 15.92 percent in FY 2014-15 and 16.40 percent in FY 2015-16.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 increase in CalWORKs reporting savings reflects an increase in SAR costs due to updating grant amounts to the April 2015 levels. The FY 2015-16 decrease in CalWORKs reporting savings reflects a decrease in the projected caseload.

The decreases in non-assistance CalFresh and CFAP administrative savings reflects a projected decline in the total average monthly caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in CalWORKs reporting savings reflects a projected decline in the total average monthly caseload.

The increase in non-assistance CalFresh and CFAP administrative savings reflects a projected increase in the total average monthly caseload.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
	Total	Federal	State	County	Reimb
Item 101 – CalWORKs Administration					
CalWORKs Reporting	-\$101,974	-\$94,880	-\$7,094	\$0	\$0
Item 141 – CalFresh Administration					
CalFresh Reporting	-129,038	-64,519	-45,163	-19,356	0
Item 141 – CFAP Administration					
CFAP Reporting	-2,134	0	-2,134	0	0
Total	-\$233,146	-\$159,399	-\$54,391	-\$19,356	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs and CalFresh Reporting*

EXPENDITURES (CONTINUED):

(in 000s)

	<u>FY 2015-16</u>				
	Total	Federal	State	County	Reimb
Item 101 – CalWORKs Administration					
CalWORKs Reporting	-\$97,379	-\$90,605	-\$6,774	\$0	\$0
Item 141 – CalFresh Administration					
CalFresh Reporting	-136,784	-68,392	-47,874	-20,518	0
Item 141 – CFAP Administration					
CFAP Reporting	-2,292	0	-2,292	0	0
Total	-\$236,455	-\$158,997	-\$56,940	-\$20,518	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Child Care – Stage One Services and Administration^{*}

DESCRIPTION:

This premise reflects the cost for Stage One Child Care for CalWORKs families with children under 13 years of age. Eligible recipients include those who are working or participating in work activities while on aid, eligible teen parents participating in the Cal-Learn program and former CalWORKs recipients who are unable to transfer to Stage Two Child Care due to funding or programmatic issues.

The CalWORKs Child Care program includes three stages: Stage One is administered by CDSS; Stage Two is administered by CDE and serves individuals determined to be in a more stable situation, either working or participating in work activities while on aid, as well as participants transitioning off aid; Stage Three is also administered by CDE and serves participants who have been off aid for two years or more.

This premise includes Stage One Child Care services and administration funding previously identified in the Safety Net, RNE and State-Only Cal-Learn premises.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8350, 8351, 8352, 8357 and W&IC section 11331.7.
- The projected monthly caseload is 39,482 children in FY 2014-15 and 43,245 children in FY 2015-16 based on a trend projection using actual caseload data reported on the CW 115 and CW 115A Child Care Monthly Reports. This includes approximately 228 Safety Net children in FY 2014-15 and 232 Safety Net children in FY 2015-16.
- The projected monthly services cost per case is based on calendar year 2014 Stage One Child Care actual expenditures claimed on the County Expense Claim, divided by the actual Stage One caseload as reported on the CW 115 and CW 115A Child Care Monthly Reports. The actual services cost per case in calendar year 2014 was \$563.72.
- The Stage One Child Care administrative ratio is 19.34 percent of the services expenditures and is based on actual expenditures from calendar year 2014.
- The State-Only Cal-Learn Child Care costs are 0.11 percent of the total Stage One Child Care cost less the Safety Net child care cost, based on expenditures from calendar year 2014.
- The Child Care cost for RNE recipients is 0.66 percent of the Stage One Child Care cost less the Safety Net child care cost, based on expenditures from calendar year 2014. Based on information from the CA 800 expenditure report, the State-Only RNE households (those with no federally eligible members) reflect 51.59 percent of the RNE costs.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

CalWORKs Child Care – Stage One Services and Administration^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

- The TANF Timed-Out Child Care costs are 1.52 percent of the Stage One Child Care cost less Safety Net Child Care cost, based on expenditures from calendar year 2014.
- The Child Care cost for two-parent families is 5.87 percent of the Stage One Child Care cost less the Safety Net Child Care cost, based on expenditures from calendar year 2014.
- The final Stage One cost per case including services, administration and the RMR increase, which implemented January 1, 2015, is \$724.88. The cost for the RMR increase is reflected in the RMR Increase premise.

METHODOLOGY:

- The Stage One Child Care services costs are calculated by multiplying the projected caseload by the services cost per case by 12 months.
- The Stage One Child Care administrative costs are calculated by multiplying the services costs by the services to administrative ratio.
- The total Stage One Child Care costs equal the services costs plus the administrative costs.
- The state portion of Stage One Child Care costs is the sum of the Stage One Child Care costs attributed to State-Only Cal-Learn, RNE recipients, TANF Timed-Out recipients and two parent families plus the Safety Net Child Care costs.

FUNDING:

Child Care for two-parent families is not funded with TANF funds, as these families must work or participate a minimum of 55 hours per week in WTW activities to be eligible for federally funded Child Care. Stage One Child Care for two-parent families, RNE, Safety Net, TANF Timed-Out and State-Only Cal-Learn is funded with 100 percent GF. The Safety Net costs are shifted from MOE GF to non-MOE GF in the CalWORKs Non-MOE premise. All other cases are funded with TANF.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 increase reflects an increase in the projected caseload and cost per case.

REASON FOR YEAR-TO- YEAR CHANGE:

The increase reflects a projected growth in caseload in FY 2015-16.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

CalWORKs Child Care – Stage One Services and Administration *

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – Stage One Child Care	Total	Federal	State	County	Reimb.
Services	\$267,083	\$243,868	\$23,215	\$0	\$0
Administration	51,648	47,159	4,489	0	0
Total	\$318,731	\$291,027	\$27,704	\$0	\$0

FY 2015-16

Item 101 – Stage One Child Care	Total	Federal	State	County	Reimb.
Services	\$292,539	\$267,223	\$25,316	\$0	\$0
Administration	56,572	51,676	4,896	0	0
Total	\$349,111	\$318,899	\$30,212	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Regional Market Rate Increase*

DESCRIPTION:

This premise reflects the cost to the CalWORKs Stage One Child Care program to update the RMR ceilings. The RMR ceilings are the maximum amount that child care providers can be reimbursed from the state for subsidized child care. The updated RMR ceilings are set at the 85th percentile of the 2009 RMR survey, reduced by 10.11 percent. If the updated RMR ceiling for a particular rate category within a specific county is less than the reimbursement amount prior to the RMR increase, the rate in effect prior to January 1, 2015 (85th percentile of the 2005 RMR survey) is used for that category. License-exempt providers are reimbursed up to 60 percent of the family child care home rate.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code section 8357.
- The reimbursement rate ceiling is set at the 85th percentile of the 2009 RMR survey, and then reduced by 10.11 percent. If the new rate is less than the 85th percentile of the 2005 RMR survey, then the reimbursement rate remains at the 85th percentile of the 2005 RMR survey.
- The final projected Stage One Child Care caseload is 39,604 and 43,957 in FY 2014-15 and FY 2015-16, respectively.
- The proportion of each county's caseload is based on the calendar year 2014 Stage One Child Care caseload as reported on the CW 115 and 115A Child Care Monthly Reports.
- According to SAWS Consortia data (from April 2013 through March 2014) the Stage One Child Care population reflects the following characteristics:
 - Approximately 18 percent of children served are infants, 49 percent are preschool age and 33 percent are school age.
 - Approximately 47 percent of children receive license-exempt care, 25 percent receive care in a family child care home and 28 percent receive care in a Child Care Center.
 - Approximately 53 percent of children receive full-time care and 47 percent of children receive part-time care.
- The monthly full-time, weekly part-time and hourly rates are used as proxies to estimate the overall cost.
- Full-time cases are reimbursed according to the monthly full-time rate.
- License-exempt part-time cases are reimbursed using the weekly part-time rate.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Regional Market Rate Increase*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Licensed part-time cases are reimbursed using either the weekly part-time or hourly rate. The 1999 Child Care Characteristics Study data on the Stage Two Child Care population is used as a proxy for the Stage One Child Care caseload to determine the proportion of cases reimbursed as weekly part-time versus hourly and the number of weeks or hours of care used per month.
 - Twenty-eight percent of these cases are reimbursed using the hourly rate and average 43 hours of care per month.
 - Seventy-two percent of these cases are reimbursed using the weekly part-time rate and average 3.4 weeks of care per month.
- The Stage One Child Care administrative ratio is 19.3 percent of the services expenditures and is based on actual expenditures from calendar year 2014.
- The RMR increase results in a weighted monthly average cost per case increase of \$52.14.

METHODOLOGY:

- To determine the cost by county to update the RMR ceiling for the different survey variations, the previous RMR ceiling is compared to the new RMR ceiling. This is done by county for the applicable rate categories by age group for each child care setting.
- If any of the comparisons result in a lower reimbursement under the new RMR ceiling, the reimbursement rate is held to the previous RMR ceiling and is not reduced.
- Each county's share of the projected Stage One Child Care caseload is determined by multiplying their proportion of the calendar year 2014 Stage One Child Care actual caseload by the final projected Stage One Child Care caseload for the applicable FY.
- The Stage One Child Care caseload characteristics are applied to each county's share of the projected caseload to determine the projected caseload that falls into the various survey categories.
- The cost for each survey category is multiplied by the caseload for the same category to determine the costs for that specific category. This is done for each survey variation by county. For the weekly part-time rate and the hourly rate, the cost is multiplied by the hours or weeks of care used in a month.
- The costs for the different survey variations is summed to determine the total monthly services cost. The monthly services cost is multiplied by the number of months in the applicable FY.
- The services cost is multiplied by the administrative ratio to determine the administrative cost.
- The services cost and administrative cost is summed to determine the total cost.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Regional Market Rate Increase*

FUNDING:

The funding is TANF and GF/MOE consistent with the funding ratios in the CalWORKs Child Care Stage One Services and Administration premise.

CHANGE FROM GOVERNOR’S BUDGET:

The FY 2014-15 and FY 2015-16 increases reflect a higher Stage One Child Care final caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects a full year of implementation and an increase in the Stage One Child Care caseload projection.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Child Care	Total	Federal	State	County	Reimb.
RMR Increase	\$12,390	\$11,294	\$1,096	\$0	\$0

FY 2015-16

Item 101 – CalWORKs Child Care	Total	Federal	State	County	Reimb.
RMR Increase	\$27,504	\$25,071	\$2,433	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Health and Safety Requirements^{*}

DESCRIPTION:

This premise reflects the costs for the TrustLine registration program and the Self-Certification process to ensure license-exempt child care providers meet health and safety requirements.

TrustLine is a state-mandated registration program that includes fingerprinting and background checks of certain license-exempt child care providers and applicants; this process includes searching the California Criminal History System, California Child Abuse Central Index and a FBI background check. TrustLine registration is required for child care providers in Stage One Child Care that are compensated by the CalWORKs program. This premise also includes reimbursement costs for processing applications referred by CDE for CalWORKs Stage Two and Stage Three Child Care and the Alternative Payment Program.

The CDSS CCL Division is responsible for processing TrustLine applications. The CDSS CCL Division contracts with DOJ to process the fingerprints and California Child Care Resource and Referral Network to search file activities. CCL also contracts with the California Child Care Resource and Referral Network to maintain the TrustLine registry and communicate with the payment programs regarding the status of the TrustLine registrants. Additionally, the CDSS CCL Division currently contracts with a private vendor for the LiveScan fingerprinting process to transfer images of fingerprints and personal information to DOJ. This contract, however, expires June 30, 2015 and will not be renewed. Moving forward, counties will use a CDSS website to process LiveScan applications and can utilize any LiveScan vendor authorized by DOJ for fingerprinting services. This premise includes both the contract costs and the county administrative costs associated with the TrustLine program.

This premise also reflects the administrative costs associated with ensuring that license-exempt child care providers self-certify that they meet the minimum health and safety standards. License-exempt providers must 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.

IMPLEMENTATION DATE:

The initial TrustLine program implemented on September 1, 1995.

The Self-Certification mandate for license-exempt providers implemented on October 1, 1996.

The requirement for FBI clearance implemented on January 1, 1999.

TrustLine Web-based Application will replace the current web-based application and TrustLine Automated Registration Process on July 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1596.60 through 1596.68 and W&IC 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 and Self-Certification requirements.
- The state sharing ratio for CDSS TrustLine and Self-Certification is 8.8 percent, based on actual county expenditures from calendar year 2014.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Health and Safety Requirements^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

Self-Certification

- Based on a trend projection using actual application data from calendar year 2014, it is estimated that there will be 9,563 and 10,410 CDSS applications for FY 2014-15 and FY 2015-16, respectively.
- The Self-Certification county administration cost per case is \$89.62, based on the actual CWD expenditures claimed on the CDSS County Expense Claim divided by the number of CDSS applications in calendar year 2014.

TrustLine

- The FY 2015-16 application projections for CDSS and CDE are based on a trend projection using actual application data from calendar year 2014.
- The voluntary application projection is based on the most recent 36 months of actual application data up to December 2014.
- The ancillary application projection is based on the actual number of ancillary applications in calendar year 2014.
- For voluntary and ancillary TrustLine applicants, this premise includes only the Resource and Referral Network costs; these fees are reimbursed by applicants to the GF outside of the CDSS budget. Since voluntary and ancillary applicants pay fingerprinting and DOJ fees directly to the vendor, these costs are not included in this premise.
- The incomplete application projection is based on the actual proportion of incomplete applications to the total CDSS, CDE and voluntary applications in the most recent 12 months. These applications only incur the incomplete application fee and are reflected in the Resource and Referral Network costs.
- The annual FY 2015-16 TrustLine application projections are as follows: 10,410 CDSS applications, 2,317 CDE applications, 2,004 voluntary applications, 2,490 ancillary applications, 1,448 incomplete applications (including CDSS, CDE and voluntary applicants).
- Currently 22 counties utilize the TrustLine Automated Registration Process. On June 30, 2015, the contract with this private vendor will expire and will not be renewed. As of July 1, 2015, all counties will begin using the TrustLine Web-based Application, a website controlled and operated by CDSS, to process LiveScan applications. Applicants will be fingerprinted through a LiveScan vendor of their choice. Applications will then be entered into the TrustLine Web-based Application by a contracted vendor or county worker. If the CWD or Alternative Payment Program chooses not to utilize the CDSS TrustLine Web-based Application, application will be sent to CCL for manual processing.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Health and Safety Requirements^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

- The FY 2015-16 contract service fees are as follows:

	FY 2015-16
DOJ Fingerprinting/Criminal History File	\$32
DOJ California Child Abuse Central Index	\$15
DOJ FBI Fingerprints	\$17
Resource and Referral Network Application Fee	\$35
Resource and Referral Network Incomplete Application Fee	\$15
Fingerprinting and Data Entry Fee	\$25

- The TrustLine county administration cost per case is \$206.26, based on the actual CWD expenditures claimed on the CDSS County Expense Claim, divided by the number of CDSS applications in calendar year 2014. TrustLine county administration costs are only included for CDSS applications.

METHODOLOGY:

Self-Certification

- The Self-Certification administration cost is calculated by multiplying the projected number of CDSS Self-Certification applications by the Self-Certification county administration cost per case.

TrustLine

- The cost of each TrustLine contract is calculated by multiplying the projected number of applications by the applicable contract service fee(s).
- The TrustLine county administration cost is calculated by multiplying the projected number of CDSS applications by the TrustLine county administration cost per case.

FUNDING:

The CDSS Health and Safety child care costs for two-parent families, RNE, Safety Net, TANF Timed-Out and State-Only Cal-Learn is funded with 100 percent GF. All other CDSS applications are funded with TANF. All costs associated with services to applicants referred by CDE are funded by reimbursements from CDE. Costs for voluntary and ancillary applicants are paid from GF.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Health and Safety Requirements ^{*}

CHANGE FROM GOVERNOR'S BUDGET:

There is no change in TrustLine or Self-Certification costs in FY 2014-15. The FY 2015-16 increase in TrustLine costs reflect a higher application projection and county administration cost per case. The FY 2015-16 increase in Self-Certification costs reflect a higher application projection partially offset by a lower county administration cost per case.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2015-16 increase in TrustLine costs reflect a higher application projection and county administration cost per case. The FY 2015-16 increase in Self-Certification costs reflect a higher application projection offset slightly by a lower county administration cost per case.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – CalWORKs Child Care	Total	Federal	State	County	Reimb.
TrustLine	\$3,816	\$2,966	\$376	\$0	\$474
Self-Certification	878	812	66	0	0
Total	\$4,694	\$3,778	\$442	\$0	\$474

FY 2015-16

Item 101 – CalWORKs Child Care	Total	Federal	State	County	Reimb.
TrustLine	\$3,904	\$3,146	\$466	\$0	\$292
Self-Certification	933	850	83	0	0
Total	\$4,837	\$3,996	\$549	\$0	\$292

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Tribal TANF*

DESCRIPTION:

This premise reflects GF costs to operate and administer Tribal TANF programs in California. Federal welfare reform legislation allows for each Indian tribe that has an approved Tribal Family Assistance Plan to receive a Tribal Family Assistance Grant. A MOU must be established in order to transfer the administrative authority to operate a TANF program from a county or other political subdivision of the State of California over to a tribe(s). Federal and state funding are based on FFY 1994 levels and expenditures. Transferred funds include amounts needed to meet grant and administrative costs related to cash aid and WTW services.

IMPLEMENTATION DATE:

California Tribal TANF Partnership

- Originally implemented in July 2003.
- Amador, Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Modoc, Napa, Plumas, San Joaquin, Shasta, Solano, Sutter, Trinity and Yuba Counties have established MOUs.
- Big Valley Tribe withdrew in June 2013.

Federated Indians of Graton Rancheria

- Marin and Sonoma Counties established MOUs in May 2008.

Hoopa

- Humboldt County established a MOU in October 2004.

Karuk

- Siskiyou and Humboldt Counties established MOUs in December 2008.

Morongo

- Originally implemented in March 2006.
- Riverside and San Bernardino Counties have established MOUs in March 2006 and March 2014, respectively.

North Fork Rancheria

- Originally implemented in August 2003.
- Fresno, Madera, Mariposa and Merced Counties have established MOUs.

Owens Valley Career Development Center

- Originally implemented in May 2001.
- Fresno, Inyo, Kern, Kings, Mono and Tulare Counties have established MOUs.

Pechanga

- Riverside County established a MOU in May 2011.

Pit River

- Modoc and Shasta Counties are seeking approval of a MOU effective July 1, 2015.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Tribal TANF*

IMPLEMENTATION DATE (CONTINUED):

Round Valley

- Mendocino County established a MOU in January 2009.

Tule Reservation Scotts Valley Band of Pomo Indians

- Originally implemented in January 2008.
- Contra Costa, Lake, Mendocino and Sonoma Counties as well as Scotts Valley – Big Valley Expansion have established MOUs.

Southern California Tribal Chairman Association

- Originally implemented in March 1998.
- San Diego County and the Santa Ynez Tribe from Santa Barbara County have established MOUs.
- Santa Barbara County is budgeted for approval of an additional MOU effective March 1, 2015.

Shingle Springs

- El Dorado, Placer and Sacramento Counties established MOUs in June 2010.

Smith River

- Del Norte and Humboldt Counties are seeking approval of a MOU effective July 1, 2015.

Soboba

- Riverside County established a MOU in October 2005.

Torres-Martinez Tribal TANF

- Originally implemented in May 2001.
- Los Angeles and Riverside Counties have established MOUs.

Tuolumne Band of Me-Wuk Indians

- Calaveras, Stanislaus and Tuolumne Counties are seeking approval of MOUs effective May 1, 2015.

Washoe

- Originally implemented in January 2003.
- Alameda, Alpine, Amador, El Dorado, Nevada, Placer, Sacramento, San Francisco, San Joaquin, San Mateo, Santa Clara and Santa Cruz Counties have established MOUs.

Yurok

- Del Norte and Humboldt Counties established MOUs in August 2006.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Tribal TANF*

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 10553.25.
- The GF costs are based on the county participation rates of reimbursement during FFY 1994. The state funding cannot exceed the amount designated for the Tribal TANF program based on the 1994 caseload counts.
- Each county participating in a Tribal TANF program has a county-specific approved or anticipated caseload.
- The average number of persons per case is 2.9.
- The average monthly cash aid cost is \$211.34 per person based on the average cash aid expenditure amount per person for FFY 1994.
- The average monthly WTW services cost per person is \$206.36.
- The average monthly administrative cost per case is \$50.73.
- 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.
- The TANF Block Grant to California is \$3,733,817.
- The MOE requirement for the TANF Block Grant is \$2,908,684.

METHODOLOGY:

The amount of TANF transferred to the tribes are calculated as follows:

- The grant costs are calculated by multiplying the average number of persons per case by the number of cases in a county by the cash aid cost per person and the number of months implemented in that county under that Tribal TANF provider
- The WTW services costs are calculated by multiplying the annual number of WTW cases in a county by the average monthly WTW services cost per person and the number of months implemented in that county under that Tribal TANF provider
- The administrative costs are calculated by multiplying the average number of cash aid cases in a county by the average monthly administrative cost per case and the number of months implemented in that county under that Tribal TANF provider.
- The estimated federal share of 50 percent is the Tribal TANF Transfer amount. The Tribal TANF Transfer is divided by the total TANF Block Grant to develop a ratio that is applied to the MOE requirement to determine the Tribal TANF MOE Reduction.

FUNDING:

Grant costs are shared 50 percent TANF and 50 percent GF. The GF share of administrative and WTW services cost is based on the applicable state percentage reimbursed during FFY 1994 in those counties in which the tribal groups are located.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Tribal TANF*

CHANGE FROM GOVERNOR'S BUDGET:

The increase reflects the inclusion of Shasta and Santa Barbara Counties as well as Trinidad-Wiyot tribe and updated caseload data.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects federal approval dates taking effect in FY 2015-16, increasing the months of implementation.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – Tribal TANF	Total	Federal	State	County	Reimb.
Tribal TANF	\$75,945	\$0	\$75,945	\$0	\$0
TANF Page – Total TANF Block Grant Expenditures					
State/County MOE Reduction – Tribal TANF	-62,542	0	0	0	0
TANF Page – TANF Transfers					
Tribal TANF – Transfer	80,284	80,284	0	0	0

FY 2015-16

Item 101 – Tribal TANF	Total	Federal	State	County	Reimb.
Tribal TANF	\$77,506	\$0	\$77,506	\$0	\$0
TANF Page – Total TANF Block Grant Expenditures					
State/County MOE Reduction – Tribal TANF	-64,729	0	0	0	0
TANF Page – TANF Transfers					
Tribal TANF – Transfer	83,092	83,092	0	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

TANF/MOE in Other State Agencies *

DESCRIPTION:

This premise consolidates several premises associated with TANF funds and MOE expenditures in other state agencies. The TANF funds are used for eligible services in other departments' programs that also serve CalWORKs and needy families. Local and state expenditures by CDSS and other departments on behalf of TANF/CalWORKs-eligible families may be counted toward the state's MOE requirement for the TANF block grant.

Expenditures that would have been authorized in FFY 1995 and allowable under the former AFDC program, Job Opportunities and Basic Skills, Emergency Assistance, Child Care for AFDC recipients, and At-Risk Child Care or Transitional Child Care programs may count toward MOE. Expenditures not previously authorized and allowable are countable up to the amount by which they 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 TANF MOE.

CDSS transfers TANF to the following state agencies for the specified purpose:

- The CCC for educational services provided to participants in the WTW program.
- The CDE for educational activities designed to increase self-sufficiency, job training and work for CalWORKs clients.
- The California Student Aid Commission for Cal Grants that are awarded to low-income students attending public or private colleges and universities.

The MOE-eligible expenditures have been identified in three state agencies:

- The CCC work-study, other education-related work experience, job placement services, child care services, as well as coordination with county welfare offices to determine eligibility and availability of services provided to students who are CalWORKs recipients.
- The CDE child care programs that provide services for families who are served in the CalWORKs program as well as for families who are income eligible but not currently receiving TANF benefits.
- The Department of Child Support Services for the state portion of the \$50 payment that is disregarded from child support collections and passed through to the custodial parent.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, CFR, sections 263.2 through 263.6.

TANF Transfers to Other State Agencies

- The contracted amounts of TANF pass-through are \$8.4 million for CCC and \$9.9 million for CDE, totaling \$18.3 million.
- The TANF transfer to California Student Aid Commission for Cal Grants is approximately \$377.4 million and \$533.6 million for FY 2014-15 and FY 2015-16, respectively.
 - There are two components of the Cal Grants 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.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

TANF/MOE in Other State Agencies *

KEY DATA/ASSUMPTIONS (CONTINUED):

- The following criteria are applied to the Cal Grant expenditures:
 - Exclude state expenditures used as federal match.
 - Exclude federally funded expenditures.
 - Exclude TANF ineligible expenditures (Cal Grant B Access and Cal Grant C).
 - Include expenditures that meet TANF criteria (unmarried students age 25 or younger with annual parental/student income at or below the \$50,000 threshold).

MOE Expenditures in Other State Agencies

- The eligible MOE expenditures claimed by CCC will be \$34.5 million in FY 2014-15 and FY 2015-16.
 - Current CalWORKs recipients may utilize these services until their educational objectives are met.
 - These funds are required to be expended for educational-related services for CalWORKs program eligible recipients only.
- The eligible MOE expenditures claimed by CDE will be approximately \$493.3 million in FY 2014-15 and \$552.3 million in FY 2015-16.
 - Federal regulations allow state expenditures for child care to satisfy both Child Care Development Fund MOE and TANF MOE, provided that these expenditures meet the MOE requirements for both grants. The total “double-countable” expenditures cannot exceed the MOE level for the Child Care Development Fund (\$85.6 million).
 - All TANF/CalWORKs-eligible families meet Child Care Development Fund eligibility requirements and meet both Child Care Development Fund and TANF MOE expenditure requirements.
 - If a state has additional child care expenditures that have not been used toward meeting Child Care Development Fund 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.
- The amount of eligible MOE expenditures claimed by Department of Child Support Services is \$12.5 million in FY 2014-15 and \$11.9 million in FY 2015-16.
 - The child support payment data is based on the counties’ monthly Child Support 35 Reports and the Child Support Services Supplement to the Child Support 34 Monthly Report of Collections and Distributions.
 - The \$50 disregard is shared between the state and the federal government.

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

TANF/MOE in Other State Agencies *

METHODOLOGY:

TANF Transfers to Other State Agencies

- The specified amounts of TANF funds to be transferred from CDSS to CCC and CDE are established by interagency agreements.
- The amount of TANF transferred to California Student Aid Commission reflects the amount of TANF available for Cal Grants after funding CalWORKs and other programs.

MOE Expenditures in Other State Agencies

- The projected expenditures from CCC and Department of Child Support Services that count toward the MOE requirement is estimated and provided by each agency, respectively.
- The projected expenditures from CDE that count toward the MOE requirement are calculated by multiplying the applicable GF cost for child care programs by the percentage of TANF-eligible families receiving CDE Child Care Services.

FUNDING:

Funds that are passed through or transferred to CCC, CDE and California Student Aid Commission are 100 percent TANF. Expenditures claimed as MOE are 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change in FY 2014-15 to the MOE-eligible expenditures from CCC, the TANF Pass-Through for State Agencies, the countable MOE from the State Disregard Payments to Families, the CDE MOE-eligible expenditures, or the TANF Transfer to Student Aid Commission. There is no change in FY 2015-16 to the MOE-eligible expenditures from CCC, the TANF Pass-Through for State Agencies, or the countable MOE from the State Disregard Payments to Families. The FY 2015-16 increase in CDE MOE-eligible expenditures reflects increased funding for various CDE Child Care programs, including General Child Care, the Alternative Payment Program and CalWORKs Stage Three Child Care. The FY 2015-16 increase in the TANF Transfer to Student Aid Commission reflects additional available TANF to transfer due to funding Long-Term Sanction cases with non-MOE GF.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change to the TANF Pass-Through for State Agencies or the MOE-eligible expenditures from CCC. The increase in the amount transferred to California Student Aid Commission reflects additional TANF available to fund Cal Grants, primarily due to funding Long-Term Sanction cases with non-MOE GF. The increase in CDE MOE-eligible expenditures reflects the higher income eligibility threshold from the five percent MAP increase (effective April 1, 2015), which results in a higher percentage of CDE child care program families that are eligible for TANF. The increase also reflects higher funding levels for various CDE Child Care Programs in FY 2015-16, including General Child Care, the Alternative Payment Program and CalWORKs Stage Three Child Care. The decrease in countable MOE from State Disregard Payment to Families reflects the projected amount of disregard payments from the Department of Child Support Services.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

TANF/MOE in Other State Agencies***EXPENDITURES:**

(in 000s)

FY 2014-15

Item 101 – Other TANF Items	Total	Federal	State	County	Reimb.
TANF Pass-Through for State Agencies	\$18,377	\$18,377	\$0	\$0	\$0
TANF Transfer to Student Aid Commission	377,406	377,406	0	0	0
TANF Page – Other MOE Eligible Expenditures					
Community Colleges – Expansion of Services	34,545	0	34,545	0	0
CDE Child Care Programs	493,327	0	493,327	0	0
State Disregard Payment to Families	12,510	0	12,510	0	0

FY 2015-16

Item 101 – Other TANF Items	Total	Federal	State	County	Reimb.
TANF Pass-Through for State Agencies	\$18,377	\$18,377	\$0	\$0	\$0
TANF Transfer to Student Aid Commission	533,646	533,646	0	0	0
TANF Page – Other MOE Eligible Expenditures					
Community Colleges – Expansion of Services	34,545	0	34,545	0	0
CDE Child Care Programs	552,277	0	552,277	0	0
State Disregard Payment to Families	11,871	0	11,871	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Kin-GAP Program^{*}

DESCRIPTION:

This premise provides funding intended to enhance family preservation and stability by recognizing many foster children are in long-term, stable placements with relatives and these placements are the permanent plan for the child. Accordingly, a dependent child who has been living with a relative for at least six 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 or scheduled court and social services supervision of the placement.

Pursuant to W&IC section 11386, cases determined to be federal Title IV-E eligible have converted to the 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, now enter the Fed-GAP program.

This premise includes funding for the annual CNI COLA resulting from the *California Alliance of Child and Family Services v. William Lightbourne, et al.* court decision.

IMPLEMENTATION DATE:

The Kin-GAP program implemented on January 1, 2000, the enhancements implemented on October 1, 2006, and the annual CNI COLA implemented on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 11360 through 11380 and 11461.
- The State-Only Kin-GAP program is available for those cases not eligible for the Fed-GAP program but meet the criteria for Kin-GAP. This includes cases transferring from the CalWORKs program, permanent residence under color of law and cases determined non-federally eligible upon annual redetermination.
- The Kin-GAP rate is equivalent to 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.
- 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.
- Federal and non-federal basic grant payments are based on the CA 800 Kin-GAP Summary Report of Expenditures from July 2013 through June 2014.
- Federally eligible cases have been transferred to the Fed-GAP program. Non-federally eligible cases remain in the Kin-GAP program, which represent approximately 53.4 percent of the total guardian assistance payment caseload based on the CA 800 Kin-Gap Summary Report of Expenditures from January 2014 through December 2014.
- The average monthly Kin-GAP caseload for FY 2014-15 is 7,492 and 7,798 for FY 2015-16.
- The average monthly Kin-GAP basic grant payment is \$718.92.

^{*}Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Kin-GAP Program*

KEY DATA/ASSUMPTIONS (CONTINUED):

- The projected Kin-GAP grant payment is adjusted to include a CNI COLA increase of 2.17 percent for FY 2014-15 and an additional CNI COLA increase of 2.54 percent for FY 2015-16.
- Based on the actual expenditures from January 2014 through December 2014, the cost of ongoing county Kin-GAP administrative functions is \$55.84 per case, per month.
- The average initial clothing allowance provided to new cases is \$220 and \$99 annually thereafter.
- State and county expenditures associated with all cases are considered eligible to be counted toward the state's TANF MOE.
- This premise assumes no Title IV-E federal funding.

METHODOLOGY:

- The assistance costs are calculated by multiplying the total number of casemonths by the average monthly Kin-GAP grant payment.
- The administrative costs are calculated by multiplying the projected casemonths by the monthly Kin-GAP administrative cost per case.
- The CNI COLA costs reflect the net impact of the monthly grant adjusted for the CNI COLA, with the additional CNI COLA applied to the subsequent FY.

FUNDING:

Assistance costs are 79 percent GF and 21 percent county funds, and administrative costs are 50 percent GF and 50 percent county funds for TANF MOE eligible cases. Administrative costs for non-TANF MOE eligible cases are 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 cost has a net decrease due to the updated caseload projections and updated CNI COLA.

REASON FOR YEAR-TO-YEAR CHANGE:

The basic costs increase reflects the updated caseload projection. The administrative cost net increase reflects the updated caseload projection and funding breakout. The CNI COLA increase reflects the additional FY 2015-16 CNI COLA.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Kin-GAP Program^{*}

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – Kin-GAP Assistance	Total	Federal	State	County	Reimb.
Kin-GAP – Basic Costs	\$64,635	\$0	\$51,062	\$13,573	\$0
Kin-GAP – Administration	5,204	0	2,602	2,602	0
Kin-GAP – COLA Increase	1,403	0	1,108	295	0

FY 2015-16

Item 101 – Kin-GAP Assistance	Total	Federal	State	County	Reimb.
Kin-GAP – Basic Costs	\$67,275	\$0	\$53,147	\$14,128	\$0
Kin-GAP – Administration	5,225	0	3,635	1,590	0
Kin-GAP – COLA Increase	3,206	0	2,533	673	0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

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After 18 Program^{*}

DESCRIPTION:

This premise reflects the fiscal impact of implementing the federal option of extending benefits as allowed in the Fostering Connections to Success and Increasing Adoptions Act of 2008 (PL 110-351). CDSS amended the Title IV-E state plan to extend benefits for youth up to age 21 in the FC (referred to as non-minor dependents), Kin-GAP, Fed-GAP and AAP programs, as well as foster youth who receive aid payments through the CalWORKs program. The goal of extending the age limit for eligible California youth to receive benefits is improving outcomes as they transition to self-sufficiency through receiving support while still residing in the security of supervised living placements.

Eligibility for extended benefits up to age 21 is available to non-minors who meet at least one of the five following criteria: 1) Completing secondary education or a program leading to an equivalent credential; 2) being enrolled in an institution that provides postsecondary or vocational education; 3) participating in a program or activity designed to promote or remove barriers to employment; 4) being employed for at least 80 hours a month or; 5) being incapable of doing any of the above due to a medical condition that is documented regularly in the non-minor's case plan.

In addition to the above criteria, the non-minor must have entered into one of these out-of-home care programs at age 16 or older for AAP, Kin-GAP or Fed-GAP. Any case determined to include a disability can receive extended benefits up to age 21 regardless of age upon entering the respective program.

IMPLEMENTATION DATE:

Extending benefits for Kin-GAP disabled cases implemented on January 1, 2011.

The implementation of benefits was extended to age 19 on January 1, 2012, to age 20 on January 1, 2013, and to age 21 on January 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11403(b).
- Caseload data is based on the Urban Institute Report on extending FC benefits to 21 years of age. The data indicated 80 percent of foster youth that would normally emancipate at age 17 will continue to receive benefits until age 19, and of those, 37 percent will continue to receive benefits until age 20. Of those, 30 percent would continue to receive benefits until age 21.
- The effect of the After 18 program to CalFresh and CFAP is assumed to be in the caseload trend.

CalWORKs

- The cost estimate to extend CalWORKs to FC service-only cases is based on 208 cases per month in FY 2014-15 and 237 cases per month in FY 2015-16.
- Of the FC service-only cases, 68 percent will continue to remain with their non-needy caretaker relative and receive a non-exempt CalWORKs MAP for an AU of one.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

After 18 Program^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

- The monthly projected service-only grant cost is \$317 which is equal to the non-exempt MAP for an AU of one in region one. This amount does not reflect the five percent MAP increase that implemented on March 1, 2014, (\$333) and an additional five percent MAP increase that will implement on April 1, 2015, (\$350).
- The value of the five percent MAP increase beginning March 1, 2014, (\$27,202 in FY 2014-15 and \$30,944 in FY 2015-16) is included in the Five Percent MAP Increase - March 1, 2014 premise.
- The value of the five percent MAP increase beginning April 1, 2015, (\$7,781 in FY 2014-15 and \$32,878 in FY 2015-16) is included in the Five Percent MAP Increase - April 1, 2015 premise.
- The monthly service-only administration cost is \$24.96 per case.

Kin-GAP

- There are two Kin-GAP cases per month extending beyond age 18 due to a disability, based on point-in-time Kin-GAP Dual Agency cases by age, as of March 31, 2010.
- The Kin-GAP caseload was increased to include youth turning 18 years of age in 2011, including those youth who continue to receive benefits funded with county-only dollars.
- There are 13 average monthly Kin-GAP cases in FY 2014-15 and FY 2015-16 that will receive extended benefits beyond age 18 as a result of entering the Kin-GAP program at age 16 or older. This is based on entrances into the Kin-GAP program from calendar year 2009 data, including the impact of Kin-GAP Interstate Compact for the Placement of Children residing outside of California data.
- The projected Kin-GAP grant is \$801.97 for FY 2014-15 and \$822.34 for FY 2015-16, a combination of the basic grant for ages 15 to 20, based on the non-federal Kin-GAP basic rate of \$690, plus additional Kin-GAP benefits such as a SCI and clothing allowance which is determined on a case-by-case basis.
- The projected Kin-GAP grant is adjusted to include a CNI COLA increase of 2.17 percent in FY 2014-15 and an additional CNI COLA increase of 2.54 percent for FY 2015-16, resulting from the impact of the *California Foster Parent Association v. William Lightbourne, et al.* court decision.
- Based on actual Kin-GAP expenditure data, the projected average monthly administrative cost per case is \$55.84 for FY 2014-15 and FY 2015-16.

METHODOLOGY:

The CalWORKs grant and administration costs for service-only cases are calculated by multiplying the caseload by grant and administration average monthly cost per case, which is then multiplied by 12 months.

The Kin-GAP benefits are calculated by multiplying the total number of casemonths by the average Kin-GAP grant. The Kin-GAP administrative costs are calculated by multiplying the projected casemonths by the monthly administrative cost per case.

^{*}Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

After 18 Program ^{*}

FUNDING:

Costs/savings are shared at the same ratios as in their respective programs.

The CalWORKs grant costs for service-only cases are 97.5 percent GF and 2.5 percent county funds and are not MOE countable. The administration costs for CalWORKs service-only cases are 100 percent GF and are not MOE countable.

The Kin-GAP assistance costs are 79 percent GF and 21 percent county funds. The Kin-GAP Administrative costs are 50 percent GF and 50 percent county funds for TANF MOE eligible cases and 100 percent GF for non-TANF MOE eligible cases.

The funding for the FC, Fed-GAP, AAP and CWS programs portion of this estimate is included in the 2011 Realignment tab.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 slight increases in CalWORKs grant costs reflect a technical adjustment. There is no change in CalWORKs administration costs in FY 2014-15 and FY 2015-16.

The Kin-GAP grant decreases in FY 2014-15 and FY 2015-16 reflects an update due to a technical adjustments.

The Kin-GAP Administrative cost per case increase for FY 2014-15 and FY 2015-16 reflects an updated caseload and a minor decrease in expenditures. There is no net change in the overall Kin-GAP Administrative cost for FY 2014-15 and FY 2015-16.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2015-16 increase in CalWORKs costs is due to an increase in the FC service-only caseload.

The Kin-GAP grant increase reflects the updated grant amount resulting from the CNI COLA. There is no change to the Kin-GAP Administrative costs.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
	Total	Federal	State	County	Reimb.
Item 101 – Kin-GAP Program					
After 18 Program – Kin-GAP Grant Impact	\$146	\$0	\$115	\$31	\$0
After 18 Program – Kin-GAP Administration Impact	10	0	5	5	0
Item 101 – After 18 Program - Services-Only FC Cases					
Grants	539	0	525	14	0
Administration	42	0	42	0	0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

After 18 Program ^{*}

EXPENDITURES (CONTINUED):

(in 000s)

	<u>FY 2015-16</u>				
	Total	Federal	State	County	Reimb.
Item 101 – Kin-GAP Program					
After 18 Program – Kin-GAP Grant Impact	\$152	\$0	\$120	\$32	\$0
After 18 Program – Kin-GAP Administration Impact	10	0	7	3	0
Item 101 – After 18 Program - Services-Only FC Cases					
Grants	613	0	598	15	0
Administration	48	0	48	0	0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Kin-GAP Nonrecurring Costs^{*}

DESCRIPTION:

This premise provides funding to reimburse relatives, who obtain legal guardianship of children in foster care, for nonrecurring expenses. The federal Fostering Connections to Success and Increasing Adoptions Act of 2008 (PL 110-351) created a Title IV-E option allowing states to provide Kin-GAP to relatives who assume legal guardianship of related foster children. The Act requires a written, binding Kin-GAP agreement that specifies, among other things, the Title IV-E agency reimburse the legal guardian for the nonrecurring expenses associated with obtaining legal guardianship of the child, not to exceed \$2,000.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2012.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11364 and 11387.
- The maximum reimbursement per case is \$2,000.
- Based on actual caseload and expenditure data from the Adoptions program, an average of 31 percent of relative foster parents will submit a claim in FY 2014-15 and FY 2015-16.
- Based on the caseload reported on the CA 237 Kin-Gap Caseload Movement Report, approximately 18 percent of FC children served in CalWORKs transfer to the Kin-GAP program. As a result, an average of 114 monthly cases will be eligible for the state-only Kin-GAP program in FY 2014-15 and FY 2015-16.

METHODOLOGY:

The average monthly Kin-GAP caseload is multiplied by the \$2,000 maximum reimbursement per case.

FUNDING:

The Kin-GAP program costs are 100 percent GF. The Fed-GAP and CWS programs portion of this estimate is included in the 2011 Realignment tab.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 increases reflect the increase in caseload offset by a slight decrease in the number of cases transferring to the Kin-GAP program.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Kin-GAP Nonrecurring Costs^{*}

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – Kin-GAP Assistance	Total	Federal	State	County	Reimb.
Nonrecurring Costs – Kin-GAP Impact	\$228	\$0	\$228	\$0	\$0

FY 2015-16

Item 101 – Kin-GAP Assistance	Total	Federal	State	County	Reimb.
Nonrecurring Costs – Kin-GAP Impact	\$228	\$0	\$228	\$0	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Payable From Title IV-E Child Support Collections/Recovery Fund*

DESCRIPTION:

This premise reflects the estimated federal share of FC child support collections as determined by Department of Child Support Services. The Department of Child Support Services is responsible for transferring the federal share of FC collections, as reported to the federal government, to the Recovery Fund. The FC child support collections offset the federal 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 federal share of the estimated FC collections is provided by Department of Child Support Services based on the most recent budget process.
- The level of FFP for FC claims is 50 percent; the transfer of the collections is displayed as 100 percent federal funds.

METHODOLOGY:

The estimates are provided by Department of Child Support Services.

FUNDING:

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

CHANGE FROM GOVERNOR’S BUDGET:

The FY 2014-15 and FY 2015-16 increase reflects the updated actual FC collections.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects the updated actual FC collections.

EXPENDITURES:

(in 000s)

	FY 2014-15				
Item 101 – FC Net Payments	Total	Federal	State	County	Reimb.
Collections Offsetting Title IV-E FC Expenditures	-\$6,025	-\$6,025	0	0	0
Collections Transferred to Recovery Fund	6,025	6,025	\$0	\$0	\$0

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

Payable From Title IV-E Child Support Collections/Recovery Fund*

EXPENDITURES (CONTINUED):

(in 000s)

FY 2015-16

Item 101 – FC Net Payments	Total	Federal	State	County	Reimb.
Collections Offsetting Title IV-E FC Expenditures	-\$5,830	-\$5,830	0	0	0
Collections Transferred to Recovery Fund	5,830	5,830	\$0	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Tribal-State Title IV-E Agreements^{*}

DESCRIPTION:

This premise reflects the costs to provide funding when a tribe seeks to implement a CWS program by entering into a Tribal-State Agreement. For tribes with a Title IV-E agreement, the state will provide the pass-through of federal Title IV-E and state funds for maintenance, administration and services to tribal children in FC.

IMPLEMENTATION DATE:

The Karuk Tribe implemented on March 1, 2013, and the Yurok Tribe will implement on July 1, 2015,

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Federal Social Security Act, Indian Child Welfare Act and W&IC sections 10553.1 and 10553.2.
- The average monthly federal grants are based on statewide actual expenditures through June 2014. The foster family home grant is \$914.82 in FY 2014-15 and \$938.06 in FY 2015-16 and the AAP grant is \$957.31 in FY 2014-15 and \$981.63 in FY 2015-16.
- The foster family home and AAP federal grants include a CNI COLA of 2.17 percent for FY 2014-15 and 2.54 percent for FY 2015-16, resulting from the impact of the *California Foster Parent Association v. William Lightbourne et al.* court decision.
- The Karuk Tribe average monthly projected FY 2014-15 and FY 2015-16 foster family home caseload is five, AAP caseload is one, ER caseload is one, ERA caseload is one, FM caseload is three, FR caseload is two, PP caseload is two and the Adoption caseload is one.
- The Yurok Tribe average monthly projected FY 2014-15 and FY 2015-16 foster family home caseload is 12, ER caseload is eight, FM caseload is 12, FR caseload is 12 and the PP caseload is one.
- All tribal cases are federally eligible.
- The Karuk Tribe has one FC determination eligibility worker at a cost of \$70,000 per year.
- The Yurok Tribe has two FC determination eligibility workers at a cost \$50,000 per eligibility worker per year.
- As Title IV-E agencies, the Karuk and Yurok Tribes will receive additional funding in FY 2015-16 for activities related to the Strengthening Families Act. For more information on the various components of the Act, please refer to the Strengthening Families Act premise.

^{*}Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Tribal-State Title IV-E Agreements^{*}

METHODOLOGY:

The assistance costs are calculated by multiplying the casemonths by the average grants. The FC administrative costs are calculated by multiplying the number of eligibility workers by the annual eligibility worker costs. The CWS administrative costs are calculated by summing the products of the time necessary to complete the administrative activities multiplied by the tribal eligibility worker rates. The Adoption costs are calculated by multiplying the caseload by the eligibility worker cost plus fixed cost associated with specialized training, nonrecurring expenses and Adam Walsh background checks.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the enhanced Tribal FMAP of 83 percent for assistance, 50 percent for administrative costs and 75 percent for training costs for those cases and programs meeting eligibility criteria.

For assistance, the state share will assume all non-federal costs with a FC Tribal FMAP of 80 percent or higher, an AAP Tribal FMAP of 62.5 percent or higher or a Fed-GAP Tribal FMAP of 60.5 percent or higher. If the FMAP falls below these thresholds, the tribal share of the non-federal costs will be 60 percent for FC, 25 percent for AAP and 21 percent for Fed-GAP.

The FC and AAP administrative non-federal costs are 70 percent GF and 30 percent tribe. The CWS administrative non-federal costs are 70 percent GF and 30 percent tribe for basic staffing, Adam Walsh, grievance reviews, home approvals and child relationships. The CWS administrative non-federal costs are 100 percent GF for background and criminal records checks, Live Scan machines, caregiver court filings and foster parent training and recruitment. The CWS basic direct costs do not have a federal share and are 70 percent GF and 30 percent tribe. The Adoptions administrative non-federal costs are 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 decrease in FC grants reflects the updated implementation date. The FY 2015-16 increase reflects the updated CNI COLA.

The FY 2104-15 increase in AAP grant reflects the updated implementation date. There is no change in FY 2015-16.

There is no change in CWS Administration in FY 2014-15. The FY 2015-16 increase in CWS Administration reflects the additional costs related to the Strengthening Families Act, purchase of the LiveScan machine for the Yurok Tribe and an increase in the direct costs.

There is no change in FC and Adoptions administration.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in FC grants reflects the updated CNI COLA. There is no change in the AAP grant and FC Administration. The increase in CWS Administration reflects the additional costs related to the Strengthening Families Act and an increase in the direct costs, slightly offset by the one-time purchase of the Yurok LiveScan machine in FY 2014-15. There is no net change in Adoptions administration. However, the federal and GF changes reflects the updated funding breakout.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Tribal-State Title IV-E Agreements^{*}

EXPENDITURES:

(in 000s)

FY 2014-15

Tribal-State Title IV-E Agreements	Total	Federal	State	County	Reimb.
Item 101 – FC Grants	\$55	\$46	\$9	\$0	\$0
Item 101 – AAP Grants	12	10	2	0	0
Item 141 – FC Administration	171	85	60	26	0
Item 151 – CWS Administration	229	102	92	35	0
Item 151 – Adoptions Administration	72	30	42	0	0
Total	\$539	\$273	\$205	\$61	\$0

FY 2015-16

Tribal-State Title IV-E Agreements	Total	Federal	State	County	Reimb.
Item 101 – FC Grants	\$192	\$159	\$33	\$0	\$0
Item 101 – AAP Grants	12	10	2	0	0
Item 141 – FC Administration	171	85	60	26	0
Item 151 – CWS Administration	293	127	114	52	0
Item 151 – Adoptions Administration	72	36	36	0	0
Total	\$740	\$417	\$245	\$78	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

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Continuum of Care Reform *

DESCRIPTION:

This premise provides funding to implement revisions to the state's current rate-setting system, services and programs serving children and families in the continuum of AFDC-FC eligible placement settings. Improvements to the continuum of care have been a consistent theme in child welfare in California for the past 15 years. The continuum of placement settings and the array of available services and supports for children and youth in FC is an interconnected system. In 2010, efforts began to ensure children and youth placed in FC receive appropriate services and quality care and experience improved outcomes. In order to improve upon these efforts, the transition from group home usage to foster family agencies is necessary for success. Children who are stepping down from group care will continue to have home-based family care placement options available with the necessary services and support throughout this effort.

IMPLEMENTATION DATE:

This premise will begin implementation on July 1, 2015, for the foster family agency social worker rate increase and January 1, 2016, for the administrative activities.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 4096.5, 4096.6, 11400, 11402, 11462, 11462.01, 11462.04, 11462.015, 11462.02, 11463, 16000, 16519.5, 16519.52 through 16519.56 and 18987.72; Health and Safety Code sections 1502, 1506.1, 1507.25, 1522.42, 1522.43, 1529.2, 1530.8, 1562 and 6276.38.

Assistance

- The social worker component of the foster family agency rate will receive an increase of 15 percent (\$44.40 per case) in FY 2015-16.
- The foster family agency average monthly caseload is 13,621 statewide for FY 2015-16.
- The percent of federally eligible costs in FY 2015-16 is 81.31 percent for foster family agencies.
- Cost avoidance from transitioning group home placements to a lower level of care will implement July 1, 2017.

Administration

- Funding for foster parent training is \$626,000 GF for FY 2015-16.
- Funding for resource family outreach, recruitment and support is \$2.1 million GF for FY 2015-16. This includes supplemental funding to support resource parents for emergency placements or other special circumstances.
- The percent of federally eligible costs is 66 percent in FY 2015-16 for the foster parent training costs for the 58-county estimate.
- The percent of federally eligible costs is 69 percent in FY 2015-16 for the resource parent outreach, recruitment and support costs for the 49-county estimate. The nine Title IV-E Well-Being Project counties do not receive FFP as the Title IV-E funds for the Project are capped.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Continuum of Care Reform *

METHODOLOGY:

The rate increase to the social worker component is the incremental rate change multiplied by the number of cases. The administrative costs for resource family training, recruitment, retention and support are calculated by summing the GF costs and eligible FFP for each component.

FUNDING:

Federal funding for the social worker component of the foster family agency rate is provided by Title XX of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for assistance. Federal funding for the 49 counties' administrative costs is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the 50 percent administration rate and 75 percent enhanced training rate for those cases and programs meeting eligibility criteria.

The responsibility for child welfare and protective services was realigned to the counties in 2011 as part of 2011 Public Safety Realignment. Pursuant to Proposition 30, legislation enacted after September 30, 2012, that has an overall effect of increasing the costs already borne by a local agency for programs or levels of service mandated by 2011 Realignment shall apply to local agencies only to the extent that the state provides annual funding for the cost increase. Local agencies are not obligated to provide programs or levels of service required by legislation, above the level for which funding has been provided. Therefore, funding for the remaining non-federal costs for the 49 counties is 100 percent GF. Only the GF share of funding for the social worker rate increase and administrative costs for resource family outreach, recruitment and support is reflected for the nine Title IV-E Well-Being Project counties as the federal funds for the Project are capped.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 net decrease in the 49-county Assistance costs is due to updated caseload and the percent of federally eligible cases. The net increase in the 49-county Administrative costs is due to additional available funding for resource family outreach, recruitment and support. The net increase in the nine Title IV-E Well Being counties costs is due to an increase in the percent of federally eligible Title XX assistance costs.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Continuum of Care Reform *

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – FC Grants	Total	Federal	State	County	Reimb.
Continuum of Care Reform – Assistance	\$0	\$0	\$0	\$0	\$0
Item 151 – CWS Administration					
Continuum of Care Reform – Administration	0	0	0	0	0
Item 153 – Title IV-E Project					
Continuum of Care Reform – Assist. & Admin.	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$0

FY 2015-16

Item 101 – FC Grants	Total	Federal	State	County	Reimb.
Continuum of Care Reform – Assistance	\$3,889	\$1,581	\$2,308	\$0	\$0
Item 151 – CWS Administration					
Continuum of Care Reform – Administration	2,484	839	1,645	0	0
Item 153 – Title IV-E Project					
Continuum of Care Reform – Assist. & Admin.	4,417	1,370	3,047	0	0
Total	\$10,790	\$3,790	\$7,000	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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After 18 Supervised Independent Living Placement Infant Payment*

DESCRIPTION:

This premise reflects funding for non-minor dependent parents living in a supervised independent living placement who have developed a parenting support plan between themselves, an identified responsible adult and the CWD. Once the county determines the identified responsible adult meets specified criteria, then the non-minor dependent parent is eligible to receive a supplemental infant payment of \$200 per month. Previously, funding was provided to minor dependents parents, but funding is now expanded to include non-minor dependent parents to cover the increased care and supervision of the child.

IMPLEMENTATION DATE:

This premise will implement July 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 11465 and 16501.
- In FY 2015-16, there will be 25 non-minor dependents in a supervised independent living placement that have an infant child.
- The eligible population will receive an additional \$200 per month payment.
- It will take a social worker two hours to complete a written parenting support plan.
- The social worker cost per hour is \$72.60.
- The percent of federally eligible costs is 66 percent in FY 2015-16 for the 58-county estimate.

METHODOLOGY:

The assistance costs are calculated by multiplying the total number of cases by the additional \$200 payment annualized. The administrative costs are calculated by multiplying the cases by the social worker time to complete the written parenting support plan and then multiplied by the hourly social worker cost.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for assistance and 50 percent for administrative costs for those cases and programs meeting federal eligibility criteria.

The responsibility for child welfare and protective services was realigned to the counties in 2011 as part of 2011 Public Safety Realignment. Pursuant to Proposition 30, legislation enacted after September 30, 2012, that has the overall effect of increasing the costs incurred by a local agency for programs or levels of service mandated by 2011 Realignment shall apply to local agencies only to the extent that the state provides annual funding for the cost increase. Local agencies are not obligated to provide programs or levels of service required by legislation above the level for which funding has been provided. Therefore, funding for the remaining non-federal costs for all 58 counties is 100 percent GF.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

After 18 Supervised Independent Living Placement Infant Payment*

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
	Total	Federal	State	County	Reimb.
Item 101 – FC Grants					
After 18 Supervised Indep. Living Plcmt Infant Payment	\$0	\$0	\$0	\$0	\$0
Item 151 – CWS Administration					
After 18 Supervised Indep. Living Plcmt Infant Payment	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$0

	<u>FY 2015-16</u>				
	Total	Federal	State	County	Reimb.
Item 101 – FC Grants					
After 18 Supervised Indep. Living Plcmt Infant Payment	\$60	\$20	\$40	\$0	\$0
Item 151 – CWS Administration					
After 18 Supervised Indep. Living Plcmt Infant Payment	4	2	2	0	0
Total	\$64	\$22	\$42	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Relative FC Home Disallowance*

DESCRIPTION:

The OIG of the federal Department of Health and Human Services conducted an audit in October 2009 of Los Angeles County relative approved FC cases to determine whether federal Title IV-E FC payments made to relative caregivers were claimed in accordance with federal 45 CFR section 1355.20. Federal regulations require states to apply uniform FC licensing standards for all foster family homes that claim FFP. The auditors found for the period from October 1, 2000, through November 20, 2001, the state agency claimed FFP for relative approved homes utilizing a different type of FC licensing standard for these homes. As a result, the OIG found the state out of compliance with federal regulations and indicated the state would need to refund the federal government for unallowable FC payments for all relative approved homes. The federal ACF sent a demand letter, which was received on July 18, 2014, requiring CDSS to repay the FFP claimed during the audit period.

IMPLEMENTATION DATE:

This disallowance implemented on July 7, 2014, the date of the demand letter.

KEY DATA/ASSUMPTIONS:

- On July 18, 2014, CDSS received a disallowance letter from the federal ACF to refund \$45.5 million.
- The disallowance was appealed on August 8, 2014.
- The audit reviewed a random sample of 100 cases out of 11,931 relative home placements in Los Angeles County between October 1, 2000, and November 20, 2001.
- The OIG extrapolated this sample of 100 cases to the entire population of court dependent children in relative homes in Los Angeles County to arrive at the disallowed amount.
- Penalties and/or interest are being accrued daily, even if the disallowance is appealed.
- There is a one-time payment of \$50 million for the federal Title IV-E FC disallowance, which includes the payment of penalties and/or interest. These funds are set aside pending the outcome of the appeal process.

METHODOLOGY:

The costs reflect the amount of the federal Title IV-E FC disallowance plus estimated accrued interest charges.

FUNDING:

This premise is 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Relative FC Home Disallowance*

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects the one-time payment in FY 2014-15, if necessary.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – FC Net Payments	Total	Federal	State	County	Reimb.
Relative FC Home Disallowance	\$50,000	\$0	\$50,000	\$0	\$0

FY 2015-16

Item 101 – FC Net Payments	Total	Federal	State	County	Reimb.
Relative FC Home Disallowance	\$0	\$0	\$0	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Approved Relative Caregivers Funding Option Program^{*}

DESCRIPTION:

This premise reflects the GF portion of the grant funding for the Approved Relative Caregivers Funding Option Program. This optional county program provides enhanced grants to approved relative caregivers caring for non-federally eligible children equal to the foster family home basic rate. Currently, approved relative caregivers with non-federally eligible children can only qualify to receive a CalWORKs grant.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11461.3.
- The additional funding provides an increase to the approved relative caregiver's payment (dependent on the child's age).
- To be eligible for the program, all participants must apply for CalWORKs.
- For those children who qualify for a CalWORKs payment, the CalWORKs portion will offset the total amount of the enhanced grant.
- For those children who do not qualify for a CalWORKs payment, the GF will cover the entire amount of the enhanced grant.
- The CalWORKs portion of the grant is based on an AU of one and will continue to be funded by CalWORKs. For information regarding the CalWORKs payment, refer to the CalWORKs Grants premise.
- The funding will be adjusted to fully fund the program as a result of the foster care basic rate annual COLAs.
- Counties who opt-in to the program will be required to provide the foster family home basic rate for the duration of the county's participation in the program.
- Any non-CalWORKs costs that exceed the amount of the county's base funding will be paid by the county.
- State expenditures associated with all cases are considered to be TANF MOE countable.

METHODOLOGY:

The funding level is held to the 2014-15 statutory appropriation.

FUNDING:

This optional payment is funded 100 percent GF.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Approved Relative Caregivers Funding Option Program^{*}

CHANGE FROM GOVERNOR’S BUDGET:

There is no change for FY 2014-15. The FY 2015-16 increase reflects the impact of the COLA which is offset by an increase to CalWORKs MAP.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects a full year of funding.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – FC Grants	Total	Federal	State	County	Reimb.
Approved Relative Caregivers Funding Option Program	\$15,000	\$0	\$15,000	\$0	\$0

FY 2015-16

Item 101 – FC Grants	Total	Federal	State	County	Reimb.
Approved Relative Caregivers Funding Option Program	\$30,108	\$0	\$30,108	\$0	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Refugee Programs*

DESCRIPTION:

This premise reflects the costs associated with the Refugee Resettlement program. The RCA program includes cash grants provided to refugees during their first eight months in the United States if they are not otherwise eligible for other categorical welfare programs. It also reflects administrative costs necessary to perform the administrative function for the RCA program. These include overhead, direct costs, salaries and benefits of eligibility workers and first line supervisors who determine eligibility and provide ongoing case management for the RCA program. In addition, this premise includes the Refugee Social Services, Targeted Assistance to high refugee impacted counties and Refugee School Impact Grant premise items. Detailed descriptions of these premises can be found in the 2012 May Revision binder, Estimate Methodologies section.

IMPLEMENTATION DATE:

The RCA program implemented on March 17, 1980. The Refugee Social Services program implemented on October 1, 1981. The Targeted Assistance program implemented on October 1, 1983. The Refugee School Impact program implemented on August 15, 2005.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title VIII of the United States Code section 1522 authorizes the federal government to provide grants to states to assist refugees who resettle in the United States. The W&IC sections 13275 through 13282 authorize CDSS to administer the funds provided under Title VIII of the United States Code. These sections also provide CDSS the authority to allocate federal Refugee Social Services and Targeted Assistance funds to the counties.

RCA – Grants

- Based on most recent actual expenditures from calendar year 2014, the average monthly grant for RCA recipients in FY 2014-15 and FY 2015-16 is estimated to be \$282.90. The impact of the five percent MAP increases is located in the Refugee Cash Assistance – Five Percent MAP Increases premise.
- The average monthly caseload is estimated at 2,092 cases for FY 2014-15 and FY 2015-16.

RCA – Administration

- Based on data from calendar year 2014, the average monthly administrative cost per case is \$84.62.
- The average monthly caseload is estimated at 2,092 cases for FY 2014-15 and FY 2015-16.
- A one-time mailing cost of \$0.51 is applied for each case in FY 2014-15 to notify recipients of the five percent grant increase effective April 1, 2015.

Refugee Social Services

- The federal grant includes \$7,446,487 in total awarded funds in Refugee Social Services for FY 2014-15 and FY 2015-16.
- Of the \$7,446,486 total funds, \$995,154 will be distributed to qualifying refugees through the Wilson/Fish Alternative Project.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Refugee Programs*

KEY DATA/ASSUMPTIONS (CONTINUED):

- The Refugee Social Services fund includes a 15 percent deduction in administrative funds for state operations cost in the amount of \$967,700.
- A contract for \$10,331,538 total funds in FY 2014-15 and \$11,439,179 total funds in FY 2015-16 is available to serve Unaccompanied Refugee Minors.

Targeted Assistance

- The federal grant includes \$4,407,745 total awarded funds in Targeted Assistance for FY 2014-15 and FY 2015-16.
- Of the \$4,407,745 total funds, \$608,609 will be distributed to qualifying refugees through the Wilson/Fish Alternative Project.
- The Targeted Assistance grant has a five percent deduction in administrative funds for state operations cost in the amount of \$189,957.
- The federal grant includes \$275,000 in Targeted Assistance Discretionary funds awarded in FFY 2014, which is budgeted for FY 2014-15 and FY 2015-16.
- The Targeted Assistance Discretionary grant has a five percent deduction in administrative funds for state operations cost in the amount of \$13,750.
- The federal grant includes \$170,100 in discretionary funding to serve elderly refugees in FY 2014-15 and FY 2015-16.

Refugee School Impact Grant

- The federal grant includes \$1,000,000 to serve school-age refugee children and their families in FY 2014-15 and FY 2015-16.
- For this grant, \$100,000 in administrative funds is deducted for state operations costs.

METHODOLOGY:

- The RCA average grant is multiplied by the estimated annual caseload.
- The monthly average cost per case for RCA administration is multiplied by the estimated annual caseload. The one-time mailing cost per case is multiplied by the estimated average monthly caseload.
- The Refugee Social Services funding is based on the sum of the standard federal grant award (less the portion of the Wilson/Fish Alternative Project and state operations cost) and the Unaccompanied Refugee Minors contracts.
- The Targeted Assistance funding is based on the sum of federal grants (less the portion of the Wilson/Fish Alternative Project and state operations cost), Targeted Assistance Discretionary and discretionary funding to serve elderly refugees.
- The Refugee School Impact Grant funding is based on a federal award less state operations cost.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Refugee Programs*

FUNDING:

These programs are 100 percent federally funded.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 decrease in RCA grants and administration reflects lower grants and administration cost per case. There is no change in Refugee Social Services, Refugee School Impact Grant and Refugee Targeted Assistance.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change in RCA grants, Targeted Assistance and Refugee School Impact Grant. The decrease in RCA Administration reflects the removal of one time mailing costs. The increase in Refugee Social Services reflects updated Unaccompanied Refugee Minors program contract amounts.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – Other Assistance Payments	Total	Federal	State	County	Reimb.
Refugee Grants	\$7,102	\$7,102	\$0	\$0	\$0
Item 141 – RCA Administration					
RCA – Administration	2,125	2,125	0	0	0
Item 151 – Special Programs					
Refugee Social Services	15,815	15,815	0	0	0
Targeted Assistance	4,041	4,041	0	0	0
Refugee School Impact Grant	900	900	0	0	0

FY 2015-16

Item 101 – Other Assistance Payments	Total	Federal	State	County	Reimb.
Refugee Grants	\$7,102	\$7,102	\$0	\$0	\$0
Item 141 – RCA Administration					
RCA – Administration	2,124	2,124	0	0	0
Item 151 – Special Programs					
Refugee Social Services	16,923	16,923	0	0	0
Targeted Assistance	4,041	4,041	0	0	0
Refugee School Impact Grant	900	900	0	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Refugee Cash Assistance – Five Percent MAP Increases*

DESCRIPTION:

This premise reflects the cost associated with implementing two MAP increases to the RCA due to increasing CalWORKs grant levels (see Five Percent MAP Increase – March 1, 2014 and the Five Percent MAP Increase – April 1, 2015 premises). The W&IC section 11450.025 increased CalWORKs MAP levels by five percent on March 1, 2014, and again on April 1, 2015, for all AUs. 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.

IMPLEMENTATION DATE:

This premise implemented on March 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11450.025.
- This policy results in an increase to the average monthly grant of \$14.14 due to the March 2014 grant increase and \$14.85 due to the April 2015 grant increase.
- The average monthly caseload is estimated to be 2,092 cases for FY 2014-15 and FY 2015-16.

METHODOLOGY:

The five percent increased grant cost is calculated by multiplying the increased grant cost per case by the average monthly caseload, then by the months impacted by each five percent MAP increase.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM GOVERNOR'S BUDGET:

For the five percent MAP increase beginning March 1, 2014, the decreases in FY 2014-15 and FY 2015-16 reflect a slightly lower grant cost per case based on the most recent actual data.

For the five percent MAP increase beginning April 1, 2015, the increase in FY 2014-15 is due to a technical adjustment to the grant increase impact. The decrease in FY 2015-16 reflects a lower projected grant cost per case.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change in the five percent MAP increase beginning March 1, 2014.

For the five percent MAP increase beginning April 1, 2015, the increase reflects a full year of implementation.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Refugee Cash Assistance – Five Percent MAP Increases*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – Other Assistance Payments	Total	Federal	State	County	Reimb.
Five Percent MAP Increase – March 1, 2014	\$355	\$355	\$0	\$0	\$0
Five Percent MAP Increase – April 1, 2015	93	93	0	0	0

FY 2015-16

Item 101 – Other Assistance Payments	Total	Federal	State	County	Reimb.
Five Percent MAP Increase – March 1, 2014	\$355	\$355	\$0	\$0	\$0
Five Percent MAP Increase – April 1, 2015	373	373	0	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Trafficking and Crime Victims Assistance Program (TCVAP)*

DESCRIPTION:

This premise represents the costs associated with extending social services and benefits to otherwise ineligible noncitizens who are victims of human trafficking, domestic violence and other serious crimes through the TCVAP. 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 services and benefits provided include cash and medical assistance for up to eight months, employment services, food assistance through CFAP, IHSS, CAPI and Healthy Families.

Noncitizen trafficking and crime victims who have children and are eligible for CalWORKs 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 nonimmigrant status with the appropriate federal agency as the first step to apply for federal status. This is necessary to demonstrate that they are taking steps to meet the conditions for federal eligibility in order to qualify for state public social services. 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 nonimmigrant status to qualify for TCVAP benefits.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 18945.
- There are currently no TCVAP recipients reported in CAPI or IHSS.
- The FY 2014-15 funding is adjusted to maintain the overall funding levels that have been allocated to CWDs.

TCVAP CalWORKs

- The TCVAP CalWORKs recipients are subject to the same 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.
- All grant, services and administrative costs for TCVAP CalWORKs recipients mirror the services and administrative costs for other CalWORKs recipients.
- 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 monthly TCVAP CalWORKs caseload is 983.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Trafficking and Crime Victims Assistance Program (TCVAP)*

KEY DATA/ASSUMPTIONS (CONTINUED):

- The cost to add an adult to a TCVAP CalWORKs AU is \$128.
- There are 1.6 children per case and it is assumed that 15.6 percent of the cases are required to participate in WTW activities utilize child care services.
- The child care cost per case is \$724.88.
- The average number of children who will receive services per month is 245.
- Utilization rates and cost per case for CalWORKs transportation and ancillary services are based on actual CalWORKs data from FY 2013-14. Transportation utilization rate is 57.24 percent and \$82.63 cost per case; ancillary utilization rate is 11.76 percent and \$82.18 cost per case.
- The case management utilization rate is 41.2 percent and the cost per case is \$206.02.

TCVAP Cash Assistance

- All services and administrative costs for TCVAP Cash Assistance recipients mirror the services and administrative costs for RCA recipients. For more information on the caseload and cost per case assumptions, please refer to the RCA portion of the Refugees Programs premise.
- The estimated monthly caseload of TCVAP Cash Assistance cases is 21.
- The average TCVAP Cash Assistance monthly grant is \$297.04 effective March 1, 2014, and \$311.89 effective April 1, 2015.
- The administrative cost per case for a TCVAP Cash Assistance case is \$84.62.
- The average monthly cost per case of TCVAP Employment Services is \$22.76 per case.

TCVAP CFAP

- Approximately 90.5 percent of CalWORKs cases also receive food assistance. Applying this ratio to the TCVAP monthly caseload yields 908 CFAP cases per month.
- Among them, 19 cases require CFAP administrative funding.
- The average coupon value per person is \$124.52.
- The administrative costs for CFAP are \$25.01 per case per month.

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.
- Employment services costs include case management, transportation and ancillary costs. These costs are calculated by multiplying the average monthly number of cases utilizing the service by the cost per case by 12 months.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Trafficking and Crime Victims Assistance Program (TCVAP)*

METHODOLOGY (CONTINUED):

- Child care costs are calculated by multiplying the average monthly number of children by the cost per child by 12 months.

TCVAP Cash Assistance

- Grant costs are calculated by multiplying the average monthly number of cases by the cost per case by 12 months.
- Administrative costs are calculated by multiplying the average monthly number of cases by the administrative cost per case by 12 months.
- Employment Services costs are calculated by multiplying the average monthly number of cases by the services cost per case by 12 months.

TCVAP CFAP

- Coupon costs are calculated by multiplying the average monthly coupon benefit per person by the projected monthly number of CFAP recipients by 12 months.
- On-going quarterly administrative costs are calculated by multiplying the average monthly number of non-TCVAP CalWORKs cases by the average monthly cost per case by 12 months.

FUNDING:

The TCVAP CalWORKs grants are funded with 97.5 percent GF and 2.5 percent county. The TCVAP CalWORKs Employment Services, Administrative Services, Child Care, TCVAP Cash Assistance, Employment Services, IHSS, CAPI and CFAP are funded with 100 percent GF. Under Title 45 of the CFR Part 263.2(b), these cases are not MOE eligible.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 increase reflects a higher caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is mainly due to a lower caseload.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Trafficking and Crime Victims Assistance Program (TCVAP)*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – TCVAP	Total	Federal	State	County	Reimb.
Grants	\$7,894	\$0	\$7,697	\$197	\$0
Services	10,433	0	10,433	0	0
Administration	142	0	142	0	0
Total	\$18,469	0	\$18,272	\$197	0

FY 2015-16

Item 101 – TCVAP	Total	Federal	State	County	Reimb.
Grants	\$2,943	\$0	\$2,869	\$74	\$0
Services	3,811	0	3,811	0	0
Administration	27	0	27	0	0
Total	\$ 6,781	0	\$6,707	\$74	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

LIHEAP/SUAS*

DESCRIPTION:

This premise reflects increased costs to CalFresh and CFAP as a result of providing a utility benefit through SUAS. To the extent permitted by federal law, households receiving the SUAS benefit are entitled to receive the standard utility allowance when calculating CalFresh benefits. As a result of receiving the standard utility allowance, some households will experience an increase in food benefits and some previously ineligible households will become eligible for CalFresh or CFAP. The utility assistance benefit was previously a \$0.10 outreach service benefit provided through LIHEAP in conjunction with Department of Community Services and Development. The benefit was increased to \$20.01 in accordance with the Agricultural Act of 2014. Effective July 1, 2014, Department of Community Services and Development delegated its authority to CDSS to design, implement and maintain the benefit under the new state-funded SUAS.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2013, with implementation of LIHEAP outreach service benefits through June 30, 2014, at which time it was replaced by the SUAS benefit. The SUAS premise implemented on July 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 18901.2.
- Beginning July 1, 2014, a \$20.01 annual SUAS benefit was applied to those CalFresh and CFAP households that experienced an increase in benefits as a result of receiving the standard utility allowance.
- The CalWIN began issuing the SUAS benefit to new cases on November 1, 2014. C-IV and LEADER began providing the SUAS benefit payment to these new cases upon completion of the automation changes. LEADER completed automation on February 1, 2015, and C-IV completed automation on May 1, 2015.
- Actual SUAS benefit expenditures are available through February 2015 (approximately \$7.9 million). Expenditures for March 2015 through June 2015 are based on the average of the most recent three months of actual expenditure data (approximately \$1.4 million average per month).
- Some households will receive benefits twice in one fiscal year due to more than one issuance in a 12-month period that does not coincide with the fiscal year. Therefore, the highest month of issuance in FY 2014-15 has been omitted, as that month would not be representative of the remaining fiscal year.
- The total average monthly CalFresh caseload is projected to be 2,184,200 in FY 2015-16.
- The CalFresh households receiving or anticipating the receipt of the SUAS benefit are entitled to use the full standard utility allowance in the CalFresh allotment determination, regardless of whether the SUAS benefit is redeemed.
- Funding is needed in FY 2014-15 to program dual calculations within the SAWS Consortia that would allot the SUAS benefit to only those households who would experience an increase in CalFresh benefits when using the standard utility allowance.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

LIHEAP/SUAS*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Until automation was completed, additional administrative costs were necessary for eligibility workers to calculate benefits with and without the standard utility allowance to determine if a household would benefit from receiving the standard utility allowance.
- It took ten minutes of eligibility worker time (at a cost of \$9.71 per case) to perform this manual workaround.
- The additional administrative time would be necessary for 16.3 percent of existing CalFresh households (projected 340,100 cases in FY 2014-15 and projected 355,800 cases in FY 2015-16 based on FFY 2012 RADEP data), which have the following characteristics:
 - not already receiving maximum benefit,
 - not at shelter cap,
 - not already receiving the standard utility allowance through submitting utility costs,
 - not reporting rent or reporting rent and received a shelter deduction and
 - not receiving the homeless shelter deduction in FY 2014-15.
- Of the incoming cases which did not receive LIHEAP or SUAS in the past 12 months, 16.3 percent of cases (8,070 cases) required this additional administrative time for the workaround.
- Each month 16.3 percent of CalFresh households and incoming cases benefit from the standard utility allowance and receive the SUAS benefit.
- Based on guidance from FNS, November 2014 was the first month states were required to change the LIHEAP benefit amount for current cases receiving the standard utility allowance due to the SUAS benefit, as opposed to those who receive the standard utility allowance through submitting utility expenses. The \$20.01 LIHEAP benefit applied to only those benefitting from receipt of the standard utility allowance and resulted in an increase of \$249,500 in both FY 2014-15 and FY 2015-16 for EBT transactions. These transaction costs are reflected in the EBT Project premise.
- The estimate includes \$166,700 in additional costs at a \$0.49 postage rate to outreach to those who would benefit from SUAS by sending notices to these households in FY 2014-15.
- The impact to CFAP is one percent of the corresponding non-assistance CalFresh costs.

METHODOLOGY:

- In FY 2014-15, the SUAS benefit costs are calculated by adding actual expenditures to the average estimated expenditures for March 2015 through June 2015.
- The SUAS benefit costs in FY 2015-16 are calculated by multiplying the \$20.01 benefit to current and incoming cases that would benefit from the standard utility allowance.
- CalFresh and CFAP administrative costs are calculated by multiplying the cost of a manual workaround by the current caseload that require a manual workaround divided by 12 months beginning November 2014 and incoming cases requiring the manual workaround beginning in July 2014.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

LIHEAP/SUAS***METHODOLOGY (CONTINUED):**

- Mailing costs are calculated by multiplying the number of current households that would benefit from SUAS by the current postage rate of \$0.49.
- Automation costs are estimated by the consortia and are included for FY 2014-15.

FUNDING:

The SUAS benefits and automation are 100 percent GF. CalFresh Administration is funded 50 percent SNAP and 50 percent GF. The CFAP administration is funded 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The increase in SUAS benefits in FY 2014-15 is due to the issuance of benefits twice in one fiscal year. The decrease in SUAS benefits in FY 2015-16 reflects the overall CalFresh caseload increasing at a slower rate than previously estimated.

The slight decrease in CalFresh and CFAP administration in FY 2014-15 is due to the overall CalFresh caseload increasing at a slower rate than previously estimated. There is no change in CalFresh and CFAP administration in FY 2015-16 as administrative funding is not needed.

The increase in automation in FY 2014-15 reflects updated consortia estimates. There is no change in automation in FY 2015-16.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in SUAS benefits is due to an adjustment to remove the effect of issuing benefits twice within the previous fiscal year.

The decrease in CalFresh and CFAP administration is due to the removal of the manual workaround because automation is complete.

The decrease in SUAS automation reflects programming being complete in FY 2014-15.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
	Total	Federal	State	County	Reimb.
Item 101 - Other Assistance Payments					
SUAS Benefit	\$13,390	\$0	\$13,390	\$0	\$0
Item 141 - CalFresh Administration					
SUAS- CalFresh	1,910	955	955	0	0
Item 141 - CFAP Administration					
SUAS - CFAP	19	0	19	0	0
Item 141 - Automation					
SUAS Automation	814	0	814	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

LIHEAP/SUAS***EXPENDITURES (CONTINUED):**

(in 000s)

FY 2015-16

	Total	Federal	State	County	Reimb.
Item 101 - Other Assistance Payments					
SUAS Benefit	\$9,079	\$0	\$9,079	\$0	\$0
Item 141 - CalFresh Administration					
SUAS- CalFresh	0	0	0	0	0
Item 141 - CFAP Administration					
SUAS - CFAP	0	0	0	0	0
Item 141 - Automation					
SUAS Automation	0	0	0	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Emergency Food for Families Fund*

DESCRIPTION:

This premise reflects expenditures from contributions designated on state income tax returns for the Emergency Food for Families Fund. This fund provides additional USDA commodities to a network of food banks for distribution to eligible individuals and households under TEFAP. This fund will sunset on January 1, 2019.

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 FY 2014-15 include the actual contributions made to the Emergency Food for Families Fund from June 2013 through May 2014 of \$594,000 and interest earnings of \$2,000.
- Funds available in FY 2015-16 include the estimated contributions made to the Emergency Food for Families Fund from July 2014 to June 2015 of \$482,000, unspent funds of \$125,000 and interest earnings of \$1,000.
- Estimated annual administrative costs, including FTB, SCO and other miscellaneous charges, are \$8,000 for both FY 2014-15 and FY 2015-16
- The FY 2015-16 funding reflects the contributions and interest earnings offset by administrative costs of FY 2014-15.
- These funds are provided to supplement, not supplant, existing program funds.

METHODOLOGY:

The funding reflects the actual contributions to the Emergency Food for Families Fund (unspent and new contributions) and interest earnings, less the annual administrative costs to the fund.

FUNDING:

This program is funded 100 percent tax revenue collections for the Emergency Food for Families Fund.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects an updated estimate for contributions made during FY 2014-15 to be allocated in FY 2015-16.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Emergency Food for Families Fund*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 - Food Assistance	Total	Federal	State	County	Reimb.
Emergency Food for Families Fund	\$588	\$0	\$588	\$0	\$0

FY 2015-16

Item 101 - Food Assistance	Total	Federal	State	County	Reimb.
Emergency Food for Families Fund	\$600	\$0	\$600	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

The Emergency Food Assistance Program (TEFAP)*

DESCRIPTION:

This premise reflects the administrative funds for TEFAP. The USDA provides funding specifically for administrative purposes and allows states to “convert” up to ten percent of their food allotment to administrative funds. The funding is used to support the USDA’s 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 reimbursement and avoid delay in providing funds to food banks and California Emergency Foodlink.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: 7 United States Code section 2036(a), as amended by section 27(a) of the Food and Nutrition Act of 2008.
- Funding in FY 2014-15 is based on the FFY 2015 federal TEFAP allocation, less state operations cost.
- Funding in FY 2015-16 assumes the same funding as FY 2014-15 as the FFY 2016 federal funding amounts are not available at this time.
- The FFY 2015 federal funding for TEFAP administration is \$6,543,072.
- As allowed under federal law, California has elected to convert ten percent of the USDA commodity funds into administrative funds, which provides an additional \$4,331,055 for TEFAP administrative costs.
- The state operations cost of TEFAP is \$600,000.
- The FFY 2015 total administration funding, including state operations, is \$10,874,127.

METHODOLOGY:

The total cost is calculated by summing the total administrative funding, funding converted from food to administrative, less the state operations costs.

FUNDING:

This program is funded with 100 percent federal funds from the USDA.

CHANGE FROM GOVERNOR’S BUDGET:

The increase reflects updated Federal Grant totals.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change. Funding for FY 2014-15 is used to estimate funding for FY 2015-16.

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

The Emergency Food Assistance Program (TEFAP)*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – Food Assistance TEFAP	Total	Federal	State	County	Reimb.
	\$10,274	\$10,274	\$0	\$0	\$0

FY 2015-16

Item 101 – Food Assistance TEFAP	Total	Federal	State	County	Reimb.
	\$10,274	\$10,274	\$0	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

State Emergency Food Assistance Program (SEFAP)*

DESCRIPTION:

This premise reflects funds for SEFAP, which may be used to purchase, store and transport food grown or produced in California. AB 152 (Chapter 503, Statutes of 2011) required the CDSS to establish and administer SEFAP to provide emergency food and funding to food banks to help fill the unmet need left by the federal TEFAP and provide healthy food to the hungry in California. AB 152 created the SEFAP account and, upon appropriation by the Legislature, food banks will seek reimbursement from the CDSS through a process similar to what is used for EFAP. Funding for SEFAP is contingent upon appropriation from the Legislature.

IMPLEMENTATION DATE:

This premise is effective June 28, 2013.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 18995.
- These funds are reflected in CDSS' budget as a reimbursement.

METHODOLOGY:

The Committee on Rules of the California State Assembly provided \$1.0 million to SEFAP effective January 1, 2015.

FUNDING:

This program is 100 percent reimbursement.

CHANGE FROM GOVERNOR'S BUDGET:

This premise reflects new funding provided since the development of the 2015-16 Governor's Budget.

REASON FOR YEAR-TO-YEAR CHANGE:

No funding has been provided for FY 2015-16 at this time.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 101 - Food Assistance	Total	Federal	State	County	Reimb.
SEFAP	\$1,000	\$0	\$0	\$0	\$1,000
	<u>FY 2015-16</u>				
Item 101 - Food Assistance	Total	Federal	State	County	Reimb.
SEFAP	\$0	\$0	\$0	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Drought Food Assistance Program*

DESCRIPTION:

This premise reflects funding for the temporary program developed in response to the Governor's Drought Emergency Declaration in January 2014. The Drought Food Assistance Program is designed to provide food assistance to drought-affected counties that suffer high levels of unemployment.

On March 1, 2014, SB 103 (Chapter 2, Statutes of 2014) amended the Budget Act of 2013 to provide up to \$25.3 million for food assistance associated with the drought. On March 17, 2015, the funding was increased to \$37.0 million, and the program was extended to five additional counties. This funding is available upon CDSS request and DOF approval.

The Drought Food Assistance Program is provided through the California Emergency Foodlink. Foodlink is the non-profit contractor which purchases and distributes USDA food statewide. Foodlink will procure, pre-package and distribute Drought Food Assistance Program food boxes to food banks in those counties identified by the Governor's Drought Task Force as being the most severely affected by the drought. In order to receive this assistance, identified counties are required to provide a drought action plan to CDSS for approval.

IMPLEMENTATION DATE:

This premise became effective on March 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Section 22 of the Budget Act of 2013.
- Counties originally identified as being most severely impacted by the drought include Amador, Butte, Colusa, Fresno, Glenn, Kern, Kings, Lake, Lassen, Madera, Merced, Modoc, Monterey, San Benito, San Joaquin, Santa Cruz, Sierra, Siskiyou, Stanislaus, Sutter, Tehama, Tulare, Yolo and Yuba. In March 2015 Imperial County, San Luis Obispo County, Santa Barbara County, Ventura County and the Coachella Valley in Riverside County were added to the program. This list is subject to change as more information about the impact of the drought becomes available.
- Low-income individuals in counties heavily dependent on agricultural employment will be adversely impacted by California's current drought. These individuals will need food assistance, thus increasing the demand on Drought Food Assistance Program.
- California Emergency Foodlink and food banks will need to purchase additional food commodities and will incur additional administrative costs to store and distribute the additional food.
- Upon request of CDSS, DOF may increase total expenditure authority in this item by up to \$87,000,000 for food assistance programs associated with persons affected by the drought. These funds will be available until December 31, 2016.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Drought Food Assistance Program ^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

- Funding is provided for the procurement, receiving, handling, packaging and shipping costs of food boxes. The funding is based on the anticipated demand for the Drought Food Assistance Program and current costs of activities and materials for receiving, storing and distributing the emergency food. These costs include: warehousing, labor, equipment, transportation, boxes, tape and stretch wrap.
- At the time of the 2015 May Revision, DOF had approved \$12.1 million in Drought Food Assistance Program funds for FY 2014-15. An additional \$11.0 million in FY 2014-15 and \$13.9 million in FY 2015-16 will be needed to provide emergency food assistance in drought impacted counties.

METHODOLOGY:

The total allocated funds reflect the sum of approved Drought Food Assistance Program budget requests made by CDSS for FY 2014-15. The total provisional funding reflects outstanding budget requests in FY 2014-15 and anticipated requests for FY 2015-16.

FUNDING:

The funding is 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The increases in FY 2014-15 and FY 2015-16 reflect an increase in total funding for the program, which will be available through December 2016.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects the remaining available balance of previously approved Drought Food Assistance Program funding.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 101 – Food Assistance	Total	Federal	State	County	Reimb.
Drought Food Assistance Program	\$12,053	\$0	\$12,053	\$0	\$0
**Drought Food Assistance Program – Provisional	11,000	0	11,000	0	0
	<u>FY 2015-16</u>				
Item 101 – Food Assistance	Total	Federal	State	County	Reimb.
Drought Food Assistance Program	\$0	\$0	\$0	\$0	\$0
**Drought Food Assistance Program – Provisional	13,947	0	13,947	0	0

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*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Work Incentive Nutritional Supplement (WINS)*

DESCRIPTION:

This premise reflects the costs of providing additional support to eligible working families in the form of a supplemental food assistance benefit. Working families who are receiving CalFresh or CFAP, but not receiving CalWORKs assistance, may be eligible for the WINS benefit if they are working sufficient hours to meet TANF federal work participation requirements. Households may be eligible for one \$10 WINS benefit per month, which will be applied to the recipient's EBT card. The WINS benefit will not count as income in the CalFresh or CFAP benefit determination and will not be subject to child support assignment. Recipients should provide documentation of work hours (e.g., pay stubs) to be eligible for the benefit. This benefit is funded with state dollars countable toward the MOE requirement in the TANF program (funding was non-MOE prior to October 2014), and families that receive the WINS benefit are counted in the TANF WPR calculation.

IMPLEMENTATION DATE:

The program began on June 1, 2014, with full implementation on July 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 15525.
- Initial eligibility for WINS is determined through an automation process that identifies cases with earnings who may have sufficient work hours. Based on actual EBT issuance data, the initial non-assistance CalFresh WINS caseload was approximately 174,800 cases as of February 2015.
- The WINS caseload will follow the overall non-assistance CalFresh caseload increase for the remaining months in FY 2014-15 and FY 2015-16.
- In both FY 2014-15 and FY 2015-16, approximately 101,300 cases will enroll in the WINS program (approximately 8,400 cases each month) based on the percentage of total WINS cases compared to the overall non-assistance CalFresh caseload.
- The average non-assistance WINS caseload is approximately 158,800 and 184,200 in FY 2014-15 and FY 2015-16, respectively.
- Based on actual EBT issuance through February 2015, the CFAP caseload represents approximately 4.5 percent of the non-assistance CalFresh WINS caseload.
- Each WINS case will receive one \$10 WINS benefit per month.
- An additional five minutes of administrative time is required during application intake for WINS-eligible non-assistance CalFresh cases to discuss the requirements of the WINS program.
- An additional ten minutes of administrative time per participant is required during ongoing semiannual eligibility determinations to fulfill the work verification and documentation requirements of the WINS program.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Work Incentive Nutritional Supplement (WINS)*

KEY DATA/ASSUMPTIONS (CONTINUED):

- An additional ten minutes of administrative time is necessary semiannually for data collection pertaining to federally required characteristics data and potential costs related to the federal sample requirement.
- The average non-assistance CalFresh eligibility worker cost is \$58.27 per hour. Because all WINS cases are CalFresh or CFAP households, all other ongoing administrative costs are already reflected in CalFresh and CFAP administrative costs.
- Beginning April 2015, Los Angeles County will process their county's closed cases for the RADEP Sample. An additional \$48,000 annually (\$12,000 in FY 2014-15) will be provided for this purpose.

METHODOLOGY:

- Administrative costs are determined by multiplying the new WINS-eligible cases by five minutes of administrative time for intake. Cases that enroll in the WINS program are multiplied by an additional 20 minutes of administrative time per semiannual reporting period. These costs will compound each month as the WINS caseload increases.
- The average non-assistance CalFresh WINS caseload and CFAP WINS caseload is multiplied by \$10 per month for the WINS benefit cost.

FUNDING:

The WINS benefit and administration costs relating to CalFresh cases are funded with GF countable toward the MOE Requirement in the TANF program effective October 1, 2014 (non-MOE GF prior to October 1, 2014). The WINS benefit and administration costs for CFAP cases are funded with non-MOE GF.

CHANGE FROM GOVERNOR'S BUDGET:

The increase in non-assistance CalFresh WINS benefits and administrative cost reflects the use of actual EBT data in FY 2014-15 (July 2014 through February 2015) and the increase in overall non-assistance CalFresh caseload for the remainder of FY 2014-15 and FY 2015-16. The increase CFAP WINS benefits and administrative cost reflects a greater percentage of CFAP cases receiving the WINS benefit.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in WINS benefits and administrative costs is due to a projected increase in the non-assistance CalFresh caseload.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Work Incentive Nutritional Supplement (WINS) *

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – Other Assistance Payments	Total	Federal	State	County	Reimb.
WINS - Benefits	\$19,051	\$0	\$19,051	\$0	\$0
WINS - Administration	6,677	0	6,677	0	0
WINS - CFAP Benefits	853	0	853	0	0
WINS - CFAP Administration	298	0	298	0	0
Total	\$26,879	\$0	\$26,879	\$0	\$0

FY 2015-16

Item 101 – Other Assistance Payments	Total	Federal	State	County	Reimb.
WINS - Benefits	\$22,101	\$0	\$22,101	\$0	\$0
WINS - Administration	7,701	0	7,701	0	0
WINS - CFAP Benefits	990	0	990	0	0
WINS - CFAP Administration	343	0	343	0	0
Total	\$31,135	\$0	\$31,135	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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California Food Assistance Program (CFAP)*

DESCRIPTION:

This premise reflects the benefit and administrative costs associated with CFAP for eligible legal noncitizens over the age of 18 and under the age of 65. This group meets all federal food stamp eligibility criteria except for their immigration status. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PL 104-193) made these legal noncitizens who entered the United States on or after August 22, 1996, 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.

Effective October 2002, the Food Stamp Reauthorization Act of 2002 (House Resolution 2646 Farm Bill) restored federal eligibility for food assistance to legal noncitizens who are disabled, noncitizens who have been in the United States for five years or more and all noncitizen children.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2002.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 18930.
- The total number of CFAP recipients is projected based on the trend of the actual numbers of public assistance and non-assistance CFAP recipients reported in calendar year 2014.
- The projected average monthly number of CFAP recipients is 46,472 in FY 2014-15 and 49,600 in FY 2015-16. The projected average monthly number of CFAP households is 19,384 in FY 2014-15 and 20,688 in FY 2015-16.
- The average benefit amount per person is \$124.52 per month in calendar year 2014.
- The EBT processing fee charged by FNS is \$314 per \$1.0 million of benefits, or approximately \$21,000 in FY 2014-15 and \$23,000 in FY 2015-16.
- The average monthly administrative cost per case is \$25.01.
- Costs for the CFAP population within TCVAP are subtracted from the administrative costs as they are reflected in the TCVAP premise. This includes \$5,702 in administrative costs for both FY 2014-15 and FY 2015-16.
- Costs for the CFAP population who are estimated to be brought into the program through their ACA application are subtracted from the non-assistance administrative costs as they are reflected in the ACA premise. These costs include \$1,730,759 in administrative costs in FY 2014-15 and \$1,826,752 FY 2015-16.
- The caseload ratio is 14.71 percent public assistance and 85.29 percent non-assistance in FY 2014-15 and is projected to be 15.17 percent public assistance and 84.83 percent non-assistance in FY 2015-16.
- The public assistance costs are eligible expenditures for the state's MOE requirement. The non-assistance costs are not TANF MOE eligible.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

California Food Assistance Program (CFAP)*

METHODOLOGY:

- Benefit costs are calculated by multiplying the projected average number of CFAP recipients by the average benefit cost per person, which is then multiplied by 12 months.
- Total benefit costs also include the EBT processing fee charged by FNS.
- Administrative costs are calculated by multiplying the average administrative cost per case by the projected monthly number of households, which is then multiplied by 12 months.
- Costs for the CFAP population within TCVAP are subtracted from the total administrative costs.
- The CFAP administration costs associated with ACA are deducted from this premise and displayed in the CalFresh and CFAP Caseload Impact of the ACA premise to avoid duplicate budgeting of costs.

FUNDING:

The expenditures are 100 percent GF. The public assistance portion of the costs is eligible to be counted towards the TANF MOE requirement.

CHANGE FROM GOVERNOR'S BUDGET:

The increase in benefits in FY 2014-15 reflects higher average monthly benefits, and in FY 2015-16 this increase is offset by a lower projected average monthly caseload. The decrease in administration costs in both FY 2014-15 and FY 2015-16 reflects the revised methodology to reflect the costs of cases that entered the program due to their ACA application.

REASON FOR YEAR-TO-YEAR CHANGE:

The increases in the benefit and administration costs reflect a higher projected caseload.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 101 – CFAP Assistance	Total	Federal	State	County	Reimb.
CFAP Benefits	\$73,201	\$0	\$73,201	\$0	\$0
Item 141 – CFAP Administration					
CFAP Administration	4,081	0	4,081	0	0
	<u>FY 2015-16</u>				
Item 101 – CFAP Assistance	Total	Federal	State	County	Reimb.
CFAP Benefits	\$75,351	\$0	\$75,351	\$0	\$0
Item 141 – CFAP Administration					
CFAP Administration	4,377	0	4,377	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalFresh and CFAP Caseload Impact of the ACA*

DESCRIPTION:

This premise reflects the impact to CalFresh and CFAP as a result of implementing the Patient Protection and ACA, PL 111-148. The ACA implemented on January 1, 2014, and required most individuals to obtain health insurance or face a penalty. The Medi-Cal application process allows potential CalFresh- or CFAP-eligible individuals to initiate an application process for food assistance through CalHEERS. This referral process has an administrative and caseload impact for CalFresh and CFAP.

IMPLEMENTATION DATE:

This premise implemented on April 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 14005.30, 14005.30, 14005.37, 14005.37 and 14005.64.
- The impact of ACA implementation on the CalFresh and CFAP caseload is reflected in actual trend data from calendar year 2014.
- This premise includes CalFresh participants among the mandatory and optional Medi-Cal expansion populations as well as Covered California cases.
- Based on an analysis of caseload data in MEDS, approximately 12.07 percent of the new non-assistance CalFresh households, and 12.77 percent of non-assistance CalFresh recipients, are due to implementation of ACA.
- The CalFresh ACA caseload impact in FY 2014-15 is \$190.69 million for CalFresh Administration and -\$17.61 million in CalFresh Reporting. The CalFresh ACA caseload impact in FY 2015-16 is \$201.35 million for CalFresh Administration and -\$18.67 million in CalFresh Reporting.
- The impact to CFAP is one percent of the corresponding non-assistance CalFresh costs.
- The projected number of non-assistance CalFresh recipients is approximately 1.79 million for FY 2014-15 and 1.88 million for FY 2015-16.
- Based on actual expenditure and caseload data for calendar year 2014, the average CalFresh benefit cost is \$141.16 per recipient.
- The Caseload Impact of the ACA costs are deducted from the CalFresh Administration, CFAP and CalWORKs and CalFresh Reporting premises for display in this premise.

METHODOLOGY:

- The percentage of households that are due to ACA implementation is applied to the base funding in the CalFresh Administration premise and the CalWORKs and CalFresh Reporting premise to avoid duplicate budgeting of funds.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalFresh and CFAP Caseload Impact of the ACA*

METHODOLOGY (CONTINUED):

- The CalFresh Administration ACA caseload impact is multiplied by one percent to determine the impact on CFAP Administration. To determine the impact on CFAP benefits, the projected number of non-assistance CalFresh recipients is multiplied by the percent of recipients that are due to implementation of ACA, the average CalFresh benefit cost per person, twelve months and then by one percent.

FUNDING:

The CalFresh funding ratios are consistent with the CalFresh Administration and the CalWORKs and CalFresh Reporting premises. The CFAP funding is 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The decrease in both FY 2014-15 and FY 2015-16 reflects the availability of actual data which shows a much lower caseload impact than previously projected.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects a higher projected non-assistance CalFresh caseload.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Caseload Impact of the ACA	Total	Federal	State	County	Reimb.
Item 101 – CFAP Benefits	\$3,862	\$0	\$3,862	\$0	\$0
Item 141 – CalFresh Administration	173,076	85,611	63,326	24,139	0
Item 141 – CFAP Administration	1,731	0	1,731	0	0
Total	\$178,669	\$85,611	\$68,919	\$24,139	\$0

	<u>FY 2015-16</u>				
Caseload Impact of the ACA	Total	Federal	State	County	Reimb.
Item 101 – CFAP Benefits	\$4,078	\$0	\$4,078	\$0	\$0
Item 141 – CalFresh Administration	182,675	90,359	66,840	25,476	0
Item 141 – CFAP Administration	1,827	0	1,827	0	0
Total	\$188,580	\$90,359	\$72,745	\$25,476	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Modified Categorical Eligibility*

DESCRIPTION:

This premise reflects increased costs to CalFresh and CFAP due to providing Modified Categorical Eligibility for all non-assistance households with gross income at or below 200 percent of the FPL. Modified Categorical Eligibility allows the exemption of all resources in the determination of eligibility for CalFresh for non-assistance households at or below the gross income test that meet all other CalFresh eligibility requirements. Modified Categorical Eligibility is determined for these households by receipt of the TANF-funded “Family Planning – PUB 275” brochure.

Previously, this premise was identified as Categorical Eligibility - Medi-Cal and reflected the AB 191 (Chapter 669, Statutes of 2013) provision that any non-assistance households including a member who receives Medi-Cal be conferred eligibility for CalFresh if the household’s gross income does not exceed 200 percent of the FPL. The Budget Act of 2014 increased the gross income test from 130 percent to 200 percent of the FPL for all households, instead of only those that receive or are eligible to receive Medi-Cal.

IMPLEMENTATION DATE:

This premise implemented January 1, 2014. The expansion to non-Medi-Cal households with a gross income of up to 200 percent of the FPL implemented on July 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 18901.5.
- Increasing the gross income test to 200 percent of the FPL for all non-assistance households will increase the number of households who enroll in CalFresh.
- Based on the 2009-2013 American Community Survey, there are 3,927,999 individuals in California households that have a gross income between 130 percent and 200 percent of the FPL.
- Of those 3,927,999 individuals, 829,927 are aged and 633,132 are disabled. The aged and disabled individuals are excluded from this estimate, assuming they are already qualified from an earlier phase of MCE implementation or are served by SSI and are therefore ineligible for CalFresh.
- Based on the 2009-2013 American Community Survey, 25 percent of individuals with income between 130 percent and 200 percent FPL are over 185 percent of the FPL. It is assumed the majority of these individuals in households of three or more will be unable to pass the net income test for CalFresh and therefore are not reflected in this premise.
- Of the remaining population potentially eligible for CalFresh, it is assumed that after passing the net income test, the majority of households would only be eligible for a small benefit amount; therefore, a five percent participation rate is used.
- Based on a simulation conducted by Mathematica Policy Research, approximately 12 percent of the households up to 200 percent of the FPL are one-person households, 29 percent are two-person households and 59 percent are households with three or more individuals.

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

Modified Categorical Eligibility*

KEY DATA/ASSUMPTIONS (CONTINUED):

- The newly eligible cases are anticipated to enroll in CalFresh with an even distribution over 12 months beginning July 2014. Cases that were anticipated to enroll July 2014 through December 2014 are assumed to be reflected in the CalFresh and CFAP basic trends and are excluded from this premise.
- The projected average monthly caseload enrolled in CalFresh for this premise is 14,881 for FY 2014-15 and 25,510 for FY 2015-16.
- The intake cost for an eligibility worker to process new non-assistance CalFresh cases is \$51.00 per case.
- Based on historical caseload attrition, after full implementation, it is estimated that approximately four percent of the caseload will leave monthly and four percent will enter monthly.
- No intake administration costs are provided for households that apply and are denied as it is assumed that those households would have applied and been denied for other reasons regardless of this policy.
- The cost for an eligibility worker to process quarterly reports for non-assistance CalFresh ongoing cases is \$39.33 per case on a quarterly basis.
- For ongoing cases, it is assumed that 7.2 percent each month would require a mid-period change and that the cost to process a mid-period report is \$28.23.
- The CFAP benefit cost is assumed to be one percent of the CalFresh benefit cost. Based on the higher gross income for these cases and the minimum benefit cost projections for FFY 2015, it is assumed that the CalFresh benefit amount is \$16 for a one-person household, \$16 for a two-person household and approximately \$89 for a household of three or more individuals.

METHODOLOGY:

- The intake administration costs are calculated by multiplying the cases that enter after the phase-in period by the intake cost for an eligibility worker to process new non-assistance CalFresh cases.
- The CalFresh ongoing administration costs for quarterly reports are calculated by multiplying the ongoing cases that enrolled the last quarter by \$39.33.
- The CalFresh ongoing administration costs for mid-period changes are calculated by multiplying the ongoing cases by the percent each would require a mid-period change and by the cost to process a mid-period report on a monthly basis.
- The total CalFresh administration costs reflect the intake eligibility, quarterly reporting, mid-period change costs.
- The CFAP administration costs associated are calculated by multiplying CalFresh administration costs by one percent.
- The CFAP benefit costs are calculated by multiplying the cases enrolled in CalFresh by the appropriated benefit projection for their household size and by one percent.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Modified Categorical Eligibility*

FUNDING:

The CalFresh administration costs are 50 percent SNAP and 50 percent GF. The CFAP funding is 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The decreases in FY 2014-15 and FY 2015-16 primarily reflect updated caseload assumptions from the 2013 American Community Survey. The larger decrease in FY 2014-15 is also due to the exclusion of cases enrolled from July 2014 through December 2014 because these cases are reflected in the trend data for the CalFresh Administration and CFAP premises.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects a full year of implementation.

EXPENDITURES:

(in 000s)

FY 2014-15

Modified Categorical Eligibility	Total	Federal	State	County	Reimb.
Item 101 – CFAP Benefits	\$38	\$0	\$38	\$0	\$0
Item 141 – CalFresh Administration	684	342	342	0	0
Item 141 – CFAP Administration	7	0	7	0	0

FY 2015-16

Modified Categorical Eligibility	Total	Federal	State	County	Reimb.
Item 101 – CFAP Benefits	\$128	\$0	\$128	\$0	\$0
Item 141 – CalFresh Administration	5,260	2,630	2,630	0	0
Item 141 – CFAP Administration	53	0	53	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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School Lunch Program*

DESCRIPTION:

This premise provides the option for local school districts or county offices of education to partner with local CalFresh county offices to identify potential new CalFresh applicants. Households that qualify for free or reduced-price school meals will be notified that they may also qualify for CalFresh benefits. With authorization from the applicant, the information included in the School Lunch program application will be shared with the local CalFresh county office for consideration of eligibility. This is an optional county program.

IMPLEMENTATION DATE:

This premise implemented in Alameda and Santa Clara Counties in July 2013, Placer County in July 2014, and Kern, Los Angeles and Santa Cruz Counties in October 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 18901.55.
- Based on March 2014 caseload data from CDE, approximately 3.6 million school-aged children statewide are eligible for free or reduced-price school meals.
- Based on the SSI SDX Management Report, the average SSI/SSP caseload in calendar year 2014 was approximately 1.3 million. Based on the SSP 107 Recipient Summary Report for the same period, nine percent of the SSI/SSP caseload (approximately 116,000 individuals) are school-aged children and assumed eligible to receive free or reduced-price school meals. Due to receipt of SSI/SSP, these children are ineligible for CalFresh benefits.
- The number of children eligible for school lunch and CalFresh benefits is reduced by 3.6 percent (approximately 130,000 children) to remove ineligible undocumented children (based on the January 2014 California population projection by DOF for 2016).
- Based on September 2014 MEDS data, approximately 1.7 million school-aged children (between four and 17 years of age) are already receiving CalFresh.
- Based on FY 2013-14 actuals Alameda, Kern, Los Angeles, Placer, Santa Clara, and Santa Cruz Counties account for 38.2 percent of non-assistance CalFresh households.
- Based on a county survey, the participating school districts represent 20 percent of the school-aged children in participating counties, resulting in 169,000 additional school-age children.
- Based on September 2014 MEDS data, 33.3 percent of school-aged children have a non-school-aged sibling (under four years of age) who would also be eligible for CalFresh benefits, resulting in approximately 42,000 additional children and a total of approximately 150,000 children who may be eligible for CalFresh.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

School Lunch Program*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on June 2014 MEDS data, there are two children per CalFresh household, which results in approximately 85,000 households that are potentially eligible for CalFresh. Of the 85,000 households, 49 percent (approximately 42,000 households) will participate in CalFresh based on the state's 2012 CalFresh working poor participation rate.
- Based on the calendar year 2014 DFA 296 CalFresh Monthly Caseload Movement Statistical Report, 65.7 percent of CalFresh applicants are eligible to receive benefits.
- Based on the number of potentially newly eligible households and the share of applications that are eligible for CalFresh, 63,000 households will apply for CalFresh benefits.
- Eligible families are assumed to have three persons per household.
- The intake cost for an eligibility worker to process a non-assistance CalFresh case is \$51.00 per case. This cost will occur one time at the beginning of the school year for new applicants.
- After initial enrollment, a four percent new applicant rate per month is assumed with an intake cost of \$51.00 per case. This will not result in a net change in caseload as a four percent attrition rate is also assumed.
- Based on county time study data collected during October and November 2005, 7.2 percent of the caseload is subject to mid-period reporting. The cost to process a mid-period report is \$28.23.
- The cost for an eligibility worker to process non-assistance CalFresh and CFAP continuing cases is \$13.11 per case per month.
- Based on benefit cost expenditures in calendar year 2014, non-assistance households are estimated to have an average monthly CalFresh benefit amount of \$423.49.
- The impact to CFAP is approximately one percent of the CalFresh impact.

METHODOLOGY:

- Intake costs are determined by multiplying the number of applicants by the intake cost per applicant.
- Monthly administrative costs associated with processing mid-period changes are calculated by multiplying the ongoing cases by the percentage subject to mid-period reports and by the mid-period report cost.
- Quarterly administrative costs are calculated by multiplying the new cumulative cases by the monthly eligibility worker cost for ongoing cases.
- The CFAP benefit costs are calculated by multiplying the caseload by the average CalFresh benefit cost and then by one percent.
- The CFAP administration costs are calculated by multiplying the total CalFresh administrative cost by one percent.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

School Lunch Program*

FUNDING:

The CalFresh administrative costs are funded 50 percent SNAP, 35 percent GF and 15 percent county funds. The CFAP benefit and administrative costs are 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The increase reflects the increase of participating school districts and updated percentage of working poor who would participate in the program.

REASON FOR YEAR-TO-YEAR CHANGE:

The increases reflect full implementation of the program in the participating districts.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
School Lunch Program	Total	Federal	State	County	Reimb.
Item 101 – CFAP Benefits	\$1,231	\$0	\$1,231	\$0	\$0
Item 141 – CalFresh Administration	6,821	3,411	2,387	1,023	0
Item 141 – CFAP Administration	68	0	68	0	0
Total	\$8,120	\$3,410	\$3,686	\$1,023	\$0
	<u>FY 2015-16</u>				
School Lunch Program	Total	Federal	State	County	Reimb.
Item 101 – CFAP Benefits	\$2,110	\$0	\$2,110	\$0	\$0
Item 141 – CalFresh Administration	8,561	4,281	2,996	1,284	0
Item 141 – CFAP Administration	86	0	86	0	0
Total	\$10,757	\$4,281	\$5,192	\$1,284	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Student Eligibility*

DESCRIPTION:

Existing federal law provides that students who are enrolled in college or other institutions of higher education at least half time are not eligible for SNAP benefits unless they meet one of several specified exemptions, including participating in specified employment training programs. This premise expands CalFresh eligibility to students who participate in educational programs that could be a component of CalFresh Employment and Training. In consultation with representatives of various organizations, such as CCC and universities, the counties and other specified stakeholders, CDSS is to establish a protocol to screen for all possible exemptions to student rules.

IMPLEMENTATION DATE:

This premise will implement on October 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 18901.11.
- Based on FY 2012-13 enrollment data from the CCC Chancellor's Office, 74,680 students participated in Extended Opportunity Programs and Services.
- It is anticipated that many of these students are in households already receiving CalWORKs and CalFresh, live in households with income over the CalFresh income limits or are eligible for other student exemptions. Therefore, it is estimated that only five percent of Extended Opportunity Programs and Services students (3,734 students) will participate in CalFresh.
- An even distribution of eligible households are anticipated to enroll in CalFresh over a 12-month period, adding 311 cases per month. These eligible households are assumed to have one person per household.
- The intake cost for an eligibility worker to process a non-assistance CalFresh case is \$51.00 per case. Intake costs for new applicants will occur once at the beginning of the school year.
- After initial enrollment, an intake cost of four percent of new applicants per month is assumed. This will not result in a net change in caseload as a four percent attrition rate is also assumed.
- Based on 2005 county time study data, 7.2 percent of the caseload will be subject to mid-period reporting. The cost to process a mid-period report is \$28.23.
- The cost for an eligibility worker to process non-assistance CalFresh and CFAP continuing cases is \$13.11 per month.
- Based on benefit cost expenditures in calendar year 2014, the projected monthly CalFresh benefit amount for non-assistance CalFresh households is \$141.16 (assuming one person per household).
- The CFAP benefit impact is calculated as one percent of the CalFresh benefit impact.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Student Eligibility*

METHODOLOGY:

- Monthly intake costs are determined by multiplying the number of applicants by the intake cost per applicant.
- Monthly administrative costs associated with processing mid-period changes are calculated by multiplying the ongoing cases by the percent of the caseload subject to mid-period reporting and then by the mid-period report processing cost.
- The CFAP administration impact is calculated as one percent of the CalFresh administration impact.
- Quarterly administrative costs to process quarterly reports are calculated by multiplying the new cumulative cases by the eligibility worker cost on a monthly basis.
- The monthly CFAP benefit costs are calculated by multiplying the caseload by the average CalFresh benefit cost and then by one percent.

FUNDING:

Administrative costs for the CalFresh program are funded 50 percent SNAP and 50 percent GF. The CFAP benefit and administrative costs are 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise that implements October 1, 2015.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Student Eligibility	Total	Federal	State	County	Reimb.
Item 101 – CFAP Benefits	\$0	\$0	\$0	\$0	\$0
Item 141 – CalFresh Administration	0	0	0	0	0
Item 141 – CFAP Administration	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Student Eligibility*

EXPENDITURES (CONTINUED):

(in 000s)

FY 2015-16

Student Eligibility	Total	Federal	State	County	Reimb.
Item 101 – CFAP Benefits	\$20	\$0	\$20	\$0	\$0
Item 141 – CalFresh Administration	283	141	142	0	0
Item 141 – CFAP Administration	3	0	3	0	0
Total	\$306	\$141	\$165	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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School Supplies for Homeless Children Fund*

DESCRIPTION:

This premise reflects expenditures for the School Supplies for Homeless Children Fund derived from contributions on state income tax returns. SB 761 (Chapter 365, Statutes of 2014) transferred administrative responsibility from CDE to CDSS. This fund is to be dispersed to a nonprofit organization to provide school supplies and health related products to local education agencies for homeless children.

The fund first appeared on state income tax returns in calendar year 2013. It will remain a voluntary contribution fund for five years provided the minimum contribution amount is met. The fund must garner a minimum contribution of \$250,000 each calendar year; beginning in calendar year 2015, this amount is adjusted by the CPI.

IMPLEMENTATION DATE:

This premise implemented on September 16, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Revenue and Taxation Code sections 18897 and 18898.
- The FY 2014-15 funding represents contributions from state income tax returns to the fund from January 2013 through May 2014, totaling \$530,000, less state operations costs and FTB and SCO fees.

METHODOLOGY:

The FY 2014-15 funding reflects the amount appropriated to CDE for FY 2014-15 for local assistance costs. The FY 2015-16 funding equals the estimated contribution and interest earnings less state operations and administrative costs.

FUNDING:

This program is funded 100 percent from the School Supplies for Homeless Children Fund.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

School Supplies for Homeless Children Fund*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 101 – Other Assistance Payments	Total	Federal	State	County	Reimb.
School Supplies for Homeless Children Fund	\$530	\$0	\$530	\$0	\$0

FY 2015-16

Item 101 – Other Assistance Payments	Total	Federal	State	County	Reimb.
School Supplies for Homeless Children Fund	\$530	\$0	\$530	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Electronic Theft of Benefits*

DESCRIPTION:

This premise reflects costs for reimbursing CalWORKs, CAPI, TCVAP and RCA recipients whose cash benefits were lost due to electronic theft (“skimming”). Previously, statute only protected recipients from loss of electronic benefits after an EBT card or personal identification number was reported lost or stolen.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2013.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 10072.
- The estimated cost of \$10,000 for FY 2014-15 and FY 2015-16 is based on the electronic benefit theft claims submitted by recipients between January 1, 2013, and February 28, 2015, to counties for reimbursement.

METHODOLOGY:

The total cost is based on actual reimbursement claims paid.

FUNDING:

These costs are funded with 100 percent GF and are not TANF MOE-eligible.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 101 – Other Assistance Payments	Total	Federal	State	County	Reimb.
Electronic Theft of Benefits	\$10	\$0	\$10	\$0	\$0
	<u>FY 2015-16</u>				
Item 101 – Other Assistance Payments	Total	Federal	State	County	Reimb.
Electronic Theft of Benefits	\$10	\$0	\$10	\$0	\$0

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

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SSI/SSP Basic Costs^{*}

DESCRIPTION:

This premise reflects the basic costs for the SSI/SSP program. The SSI/SSP is a cash assistance program for low-income aged, blind and disabled persons. The SSI portion, 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. California opted to supplement SSI payments, creating the SSP program. The SSA administers the SSI/SSP program at California's option. The maximum amount of aid is dependent on whether the recipient is aged, blind or disabled, their living arrangement, marital status and whether or not the recipient is a minor.

IMPLEMENTATION DATE:

The SSI/SSP program was implemented in 1974.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: PL 92-603.
- The SSA will continue to administer the program under Title XVI of the Social Security Act.
- Title XVI section 1611 of the Social Security Act defines the amount of SSI benefits an individual may be eligible to receive. State law defines the amount of SSP benefits.
- The basic cost per case for SSI and SSP estimates is developed from actual federal and state expenditures reported on the State Data Exchange and SSA 8700 reports, as well as caseload and federal and state expenditures reported on SSP 107 reports.
- The Title XIX medical facility and SSP-only caseload remains stable with significantly lower average grants than SSI/SSP recipients.
- The SSI average grants based on actual data are as follows: \$351.41 for aged recipients, \$452.30 for blind recipients and \$498.20 for disabled recipients.
- The SSP average grants based on actual data are as follows: \$160.06 for aged recipients, \$204.99 for blind recipients and \$157.01 for disabled recipients.
- Based on December 2014 State Data Exchange, there are 1,053,265 individual cases (82.5 percent) and 224,006 couple cases (17.5 percent).
- The average monthly caseload is 1,300,184 in FY 2014-15 and 1,307,789 in FY 2015-16.

METHODOLOGY:

The SSI/SSP basic costs are estimated for five sub-groups: aged, blind, disabled, recipients in Title XIX medical facilities and those only receiving SSP. For each sub-group, SSI and/or SSP average grants are calculated based on historical data, and then multiplied by the projected caseload. The expenditures in each sub-group are summed to get total SSI and SSP expenditures.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

SSI/SSP 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 GF. Costs for each component are computed separately.

CHANGE FROM GOVERNOR'S BUDGET:

The decrease in FY 2014-15 and FY 2015-16 reflects a lower caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects an increase in caseload.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>			
Item 111 - SSI/SSP	Total	Federal	State	County	Reimb.
Basic Costs	\$9,596,453	\$7,123,761	\$2,472,692	\$0	\$0
		<u>FY 2015-16</u>			
Item 111 - SSI/SSP	Total	Federal	State	County	Reimb.
Basic Costs	\$9,654,031	\$7,167,791	\$2,486,240	\$0	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

SSI/SSP – Federal COLA Impact*

DESCRIPTION:

This premise reflects the impact of the federal COLA as applied to the SSI portion of the grant for SSI/SSP program recipients.

IMPLEMENTATION DATE:

The 2015 federal COLA will implement on January 1, 2015. The 2016 federal COLA will implement on January 1, 2016.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: Title XVI of the Social Security Act section 1617.
- Each year, SSA releases a preliminary estimate of the COLA that will apply to the following year's SSI grants and, later in the year, releases the final COLA based on the CPI.
- The 2015 federal COLA with a CPI of 1.7 percent will be passed through to recipients on January 1, 2015.
- The estimated 2016 federal COLA is zero percent for calendar year 2016 based on the escalation estimates provided by DOF.
- The SSA establishes maximum grant amounts, which are referred to as payment standards, for the SSI program.

METHODOLOGY:

New payment standards for SSI are implemented when there is a positive COLA based on the CPI. The updated caseload and average grants are then multiplied to determine changes in costs for the period applicable to the new standards.

FUNDING:

The SSI portion is funded with 100 percent federal Title XVI funds. The SSP is funded with 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The decrease for the 2015 federal COLA in FY 2014-15 reflects slower caseload growth than previously projected, offset by average SSI grant increase.

The decrease for the 2015 federal COLA in FY 2015-16 reflects slower caseload growth than previously projected in 2015 Governor's budget, offset by average SSI grant increase. The decrease for the 2016 federal COLA in FY 2015-16 reflects zero percent of CPI for the calendar year 2016.

REASON FOR YEAR-TO-YEAR CHANGE:

The 2015 federal COLA increase reflects a full year impact. There is no change for 2016 Federal COLA due to zero percent of the estimated CPI for calendar year 2016.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

SSI/SSP – Federal COLA Impact^{*}

EXPENDITURES:

(in 000s)

FY 2014-15

Item 111 – SSI/SSP	Total	Federal	State	County	Reimb.
2015 Federal COLA (1.7 Percent CPI)	\$64,925	\$64,925	\$0	\$0	\$0
2016 Federal COLA (0 Percent CPI Estimated)	0	0	0	0	0

FY 2015-16

Item 111 – SSI/SSP	Total	Federal	State	County	Reimb.
2015 Federal COLA (1.7 Percent CPI)	\$130,651	\$130,651	\$0	\$0	\$0
2016 Federal COLA (0 Percent CPI Estimated)	0	0	0	0	0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

State Supplementary Payment (SSP) Administration^{*}

DESCRIPTION:

The SSA formerly administered the 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 allowed additional service fees if the SSA provides services beyond the expected level, such as increasing or decreasing payment standards outside of the normal January 1st schedule.

IMPLEMENTATION DATE:

This premise was implemented on October 1, 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: PL 105-33.
- The SSA will continue to administer this program under Title XVI of the Social Security Act.
- The federal Balanced Budget Act of 1997 (PL 105-33) amended existing federal statutes pertaining to administration fees for SSP payments. From FFY 1998 through 2002, administration fees increased from \$5.00 to \$8.50 per SSP payment. Increases after FFY 2002 are based on the CPI, or at a rate the Commissioner of Social Security determines is appropriate for the state.
- Effective October 1, 2014, the fee increased from \$11.32 to \$11.51 per payment based on a 1.7 percent increase as determined by SSA. The estimated 2016 federal COLA is zero percent for calendar year 2016 based on the escalation estimates provided by DOF. Therefore, the fee will keep unchanged beginning October 1, 2015.
- Administrative costs associated with the California Veterans Cash Benefit program are included in this premise.
- Effective with the 2012-13 Governor's Budget, GF costs associated with the Non-Medical Out-Of-Home Care administration have been included in this premise. These funds were previously included in the County Services Block Grant premise.
- The projected average SSP monthly recipients are 1,326,139 in FY 2014-15 and 1,339,101 in FY 2015-16.

METHODOLOGY:

- For SSP administration, the projected number of payments is based on the projected caseload plus the six-month moving average for other payments (including various items such as late payments and adjustment payments). The projected number of payments is then multiplied by the administrative fee.
- The California Veterans Cash Benefit program administration is estimated by multiplying the projected caseload by the administrative fee.
- The Non-Medical Out-Of-Home Care administration is estimated using average expenditures over the past three years.

^{*}Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

State Supplementary Payment (SSP) Administration ^{*}

FUNDING:

The administration costs are 100 percent GF.

CHANGE FROM GOVERNOR’S BUDGET:

The decrease in FY 2014-15 and FY 2015-16 reflects lower projected caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects the increase in caseload and administration fee per case.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 111 – SSI/SSP Expenditures	Total	Federal	State	County	Reimb.
SSP Administration	\$182,889	\$0	\$182,889	\$0	\$0

FY 2015-16

Item 111 – SSI/SSP Expenditures	Total	Federal	State	County	Reimb.
SSP Administration	\$185,410	\$0	\$185,410	\$0	\$0

**Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.*

California Veterans Cash Benefit Program^{*}

DESCRIPTION:

This premise reflects the cost of providing benefits to World War II veterans who returned to the Republic of the Philippines, no longer have a place of residence in California and were receiving SSP benefits on December 14, 1999.

IMPLEMENTATION DATE:

This premise implemented on July 19, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 12400.
- The grant costs are the equivalent of SSP benefits the veterans would receive under the SSI/SSP program.
- An average benefit payment of \$157.19 per month will be paid to eligible recipients.
- The SSA administers the California Veterans Cash Benefit program in conjunction with benefits under Title VIII of the federal Social Security Act.
- Administrative costs associated with the California Veterans Cash Benefit program are reflected in the SSP Administration premise.
- The average monthly number of participating veterans is 631 in FY 2014-15 and 431 in FY 2015-16.

METHODOLOGY:

The estimated costs are calculated by multiplying the number of participating veterans by the benefit payment amount and months in the FY.

FUNDING:

This program is funded with 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The increase in FY 2014-15 reflects a higher average monthly caseload than previously projected. The decrease in FY 2015-16 reflects a lower average monthly caseload than previously projected.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a lower projected average monthly caseload.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

California Veterans Cash Benefit Program^{*}

EXPENDITURES:

(in 000s)

FY 2014-15

Item 111 - SSI/SSP	Total	Federal	State	County	Reimb.
California Veterans Cash Benefit Program	\$1,191	\$0	\$1,191	\$0	\$0

FY 2015-16

Item 111 - SSI/SSP	Total	Federal	State	County	Reimb.
California Veterans Cash Benefit Program	\$813	\$0	\$813	\$0	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Cash Assistance Program for Immigrants (CAPI)*

DESCRIPTION:

This premise reflects the costs associated with providing benefits to aged, blind and disabled legal immigrants under CAPI. This premise includes both grant and administrative costs.

The Base CAPI recipients include immigrants who entered the United States prior to August 22, 1996 and are not eligible for SSI/SSP benefits solely due to their immigration status. It also includes those who entered the United States on or after August 22, 1996, but meet special sponsor restrictions (have a sponsor who is disabled, deceased or abusive).

The Extended CAPI recipients include immigrants who entered the United States 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:

- Authorizing statute: W&IC sections 18937-18944.
- Under state law, the CAPI program is governed by the same federal and state regulations which govern the SSI/SSP program.
- State law also established that benefits paid under CAPI are equivalent to benefits provided under the SSI/SSP program, except that the grant is reduced by \$10 per individual and \$20 per couple per month.
- The average monthly caseload for Base CAPI is 1,071 for FY 2014-15 and 1,042 for FY 2015-16.
- The average monthly caseload for Extended CAPI is 12,312 for FY 2014-15 and 12,892 for FY 2015-16.
- The average grant for Base CAPI is \$711.19 for FY 2014-15 and \$715.40 for FY 2015-16.
- The average grant for Extended CAPI is \$760.8 for FY 2014-15 and \$764.93 for FY 2015-16.
- The average grants for both Base and Extended CAPI cases are impacted by the federal COLAs.
- The average monthly administrative cost per case is \$73.02 for FY 2014-15 and \$68.61 for FY 2015-16, based on actual expenditures in calendar year 2014.

METHODOLOGY:

The Base CAPI grant costs are estimated by multiplying the projected monthly Base CAPI caseload by the Base CAPI average grant and administration cost per case. The Extended CAPI grant costs are estimated by multiplying the Extended CAPI caseload by the Extended CAPI average grant and administrative cost per case. The Base CAPI and Extended CAPI costs are then added to determine the total cost.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Cash Assistance Program for Immigrants (CAPI)*

FUNDING:

The program is funded with 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The increase in both Base and Extended CAPI costs in both FY 2014-15 and FY 2015-16 reflects higher projected caseloads and higher average grants, offset by a decrease in the administrative cost per case.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in Base CAPI reflects a lower projected caseload and lower administrative cost per case, offset by higher average grant per case. The increase in Extended CAPI reflects caseload growth and a higher average grant, offset by lower administrative cost per case.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>				
Item 111 – SSI/SSP	Total	Federal	State	County	Reimb.	
Base CAPI	\$10,035	\$0	\$10,035	\$0	\$0	
Extended CAPI	122,700	0	122,700	0	0	
		<u>FY 2015-16</u>				
Item 111 – SSI/SSP	Total	Federal	State	County	Reimb.	
Base CAPI	\$9,802	\$0	\$9,802	\$0	\$0	
Extended CAPI	128,955	0	128,955	0	0	

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

IHSS County MOE*

DESCRIPTION:

This premise establishes a county MOE level for the county share of IHSS service and administrative costs (including Public Authority Administration costs) in lieu of counties paying a fixed percentage share of each dollar expended. Total county service and administrative costs that exceed the county MOE will be shifted to GF.

For 43 counties, the county MOE levels for both services and administration are based on county expenditures for FY 2011-12, adjustments for any county negotiated wage increases and the application of a 3.5 percent annual inflation factor starting July 1, 2014. For 15 selected small counties, the county MOE is based on either the FY 2011-12 county allocations or county expenditures, whichever is lower. In addition, it includes adjustments for any county negotiated wage increases and the application of the 3.5 percent annual inflation factor.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2012.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 12306.15.
- The FY 2011-12 county MOE base, published in CFL 14/15-44, was \$925,783,339. An adjustment to base expenditures for Stanislaus County results in a revised county MOE base of \$925,700,082. The county MOE base includes savings due to CFCO.
- Per W&IC section 12306.15(c)(1), beginning July 1, 2014, the county MOE base increases annually by the 3.5 percent inflation factor.
- Annualized adjustments in counties with approved wage increases during FY 2012-13 increase the county MOE by \$18,863,077. Annualized adjustments in FY 2013-14 increase the county MOE by \$9,179,578.
- For FY 2014-15, the county MOE includes the final FY 2011-12 county MOE base, annualized adjustments for FY 2012-13 increases, annualized adjustments for FY 2013-14 increases, a 3.5 percent inflation factor of \$33,380,996 and adjustments for FY 2014-15 increases. Based on increases as of February 2015, the FY 2014-15 adjustments are \$11,013,653. These costs will be billed to the counties and will not be reflected in the county MOE base. The annualized cost of increases will be included in the county MOE base for the following FY.
- For FY 2015-16, the county MOE includes the final FY 2011-12 county MOE base, annualized adjustments for FY 2012-13 increases, annualized adjustments for FY 2013-14, estimated annualized adjustments for FY 2014-15 of \$16,181,260 and a 3.5 percent inflation factor of \$35,115,675.

METHODOLOGY:

- The base county MOE level for IHSS services and administration was determined using FY 2011-12 actual county share expenditures based on the following sharing ratios:

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

IHSS County MOE*

METHODOLOGY (CONTINUED):

- Costs up to the maximum level of state participation of \$12.10 per hour in combined wages and health benefits, 65 percent GF and 35 percent county for the non-federal share.
- Costs above \$12.10 per hour, 100 percent county funds for the non-federal share.
- The CFCO enhanced federal funding reduces non-federal expenditures. The county share of federally eligible costs were reduced based on the FY 2011-12 CFCO savings by county.
- County wage adjustments are calculated by multiplying the rate increase by the FY 2011-12 service hours for the months effective in the current FY by the county share. The FY 2011-12 service hours by county are located in attachment II and attachment III of CFL 14/15-44
- For the FY following approved rate increases, the annualized cost of the adjustment will be added to the county MOE base.

FUNDING:

Funding for this premise is 100 percent county funds, displayed as a reimbursement.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change to the total funding amount. The county MOE increases in FY 2014-15 and FY 2015-16 reflect additional wage adjustments for counties with rate changes between October 2014 and February 2015.

REASON FOR YEAR-TO-YEAR CHANGE:

The county MOE increase reflects the annual 3.5 percent inflation factor and the annualized adjustment cost of approved county wage and health benefit increases in FY 2014-15.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 111 – IHSS	Total	Federal	State	County	Reimb.
IHSS County MOE	\$0	\$0	-\$998,137	\$0	\$998,137
<u>FY 2015-16</u>					
Item 111 – IHSS	Total	Federal	State	County	Reimb.
IHSS County MOE	\$0	\$0	-\$1,038,421	\$0	\$1,038,421

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

IHSS Basic Costs*

DESCRIPTION:

This premise reflects the basic service costs for the IHSS program. The IHSS program enables eligible individuals to receive in-home services that allow them 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. Services include: domestic and related services (e.g., housework, meal preparation, laundry, shopping); personal services; accompaniment to medical appointments; protective supervision for mentally-impaired recipients who may place themselves at risk for injury, hazard or accident; and paramedical services when directed by a physician.

There are four IHSS program components:

- PCSP - Provides federally funded personal care services to recipients who are eligible for Medi-Cal, have a chronic disabling condition and have an assessed need for services to remain safely in their own home.
- IHSS Plus Option - Provides federally funded services to recipients who have a chronic disabling condition and have an assessed need for services to remain safely in their own home. These recipients do not qualify for PCSP because services are provided by a spouse or parent of a minor child, the recipient receives advance pay or the recipient receives a restaurant meal allowance.
- Residual - Provides non-federally funded program services to recipients who are not eligible for Medi-Cal, but meet the SSI/SSP income standards, are 65 years or older, blind or disabled and have an assessed need for services to remain safely at home.
- CFCO - Provides federally funded services at an enhanced FMAP of 56 percent to those recipients who have a chronic disabling condition, have an assessed need for services in order to remain safely at home and are determined eligible for a nursing facility level of care. The federal CMS approved state plan amendment 13-007 effective July 1, 2013, updating eligibility language for compliance with the Social Security Act section 1915(k)(1) and 42 CFR section 441.510. Costs for the CFCO program are displayed separately in the tables.

There are three service delivery modes for IHSS: the individual provider mode, consisting of an individual provider hired by the recipient; the county contract mode, consisting of a county-contracted service provider who employs individuals to provide services to IHSS recipients; and the welfare staff/homemaker mode, which utilizes county employees to provide services to recipients.

This premise also includes contract costs for York Risk Services Group, which administers the workers' compensation insurance for providers under the individual provider mode. The DGS manages and supervises the contract and monitors high-cost cases (\$50,000 and over on a quarterly basis).

IMPLEMENTATION DATE:

This premise implemented on April 1, 1993.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

IHSS Basic Costs^{*}

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 12300-12314, 14132.95 and 14132.956.
- Average cases per month are projected to be 446,341 in FY 2014-15 and 467,000 in FY 2015-16. Federally eligible cases account for 99 percent of the total caseload and the remaining one percent are residual cases with no FFP. The CFCO costs are displayed separately on the CFCO line in the tables. The average provider cost per hour in individual provider mode for FY 2014-15 is \$12.47 and for FY 2015-16 is \$12.62.
- The weighted average monthly hours per case prior to reduction to service hours are 99 in both FY 2014-15 and FY 2015-16.
- The total share of cost paid by IHSS recipients in the individual provider mode of service is estimated at \$24.8 million in FY 2014-15 and FY 2015-16.
- The restaurant meal allowance monthly grant is \$62 per person and totals \$0.27 million in FY 2014-15 and FY 2015-16.
- Total workers' compensation cost, which includes the York Risk Services Group, DGS and SCO contracts, is assumed to be \$97.0 million in FY 2014-15 and FY 2015-16. In FY 2015-16, \$4.5 million of the total workers' compensation cost will be billed to DHCS for benefits covering Waiver for Personal Care Services providers.
- The cost for cases in the county contract mode and welfare staff/homemaker mode are \$22.1 million in FY 2014-15 and FY 2015-16.
- The CFCO cases are displayed under the CFCO table line and represent 59 percent of federally eligible expenditures.
- All costs for recipients in the California Community Transitions Money Follows the Person Demonstration project are reflected in the California Community Transitions Money Follows the Person Rebalancing Demonstration premise.
- Under California Labor Code section 1182.12, the California minimum wage increased from \$8.00 per hour to \$9.00 per hour effective July 2014 followed by an increase to \$10.00 per hour effective January 2016. In FY 2014-15, 16 counties were impacted by the July 2014 increase. In FY 2015-16, 32 counties will be impacted by the January 2016 increase.
- Due to implementation of the IHSS county MOE, all non-federal IHSS provider wage costs will be GF. The impact of the minimum wage increase is included in this premise and also displayed as a non-add budget line.

METHODOLOGY:

The estimated IHSS basic services cost for individual provider mode is computed on a county specific basis by multiplying the casemonths by average hours per case (prior to the reduction to service hours) and provider cost per hour. The share of cost paid by IHSS recipients is subtracted from the statewide total, and then the restaurant meal allowance costs and workers' compensation costs are added. Estimated costs for county contract mode and welfare staff/homemaker mode are added to compute the total IHSS basic service cost for all modes. Costs for CFCO cases are displayed separately on the CFCO table line.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

IHSS Basic Costs*

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for eligible cases. The federal share is reflected as a reimbursement, consistent with actual cash flow. Funding for non-federal costs is 100 percent GF due to the implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

CHANGE FROM GOVERNOR'S BUDGET:

The increase in FY 2014-15 and FY 2015-16 to basic services costs reflects increased hours per case, increased provider cost per hour and an increase in caseload. Costs for CFCO cases previously displayed under basic services have been shifted to CFCO.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects increased caseload, hours per case and higher wages in 32 counties because of minimum wage increase effective January 2016.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
IHSS Basic – Services	\$2,717,511	\$0	\$1,391,776	\$0	\$1,325,735
Community First Choice Option (CFCO)	3,896,189	0	1,714,323	0	2,181,866
**Minimum Wage Impact	4,717	0	2,382	0	2,335
Total	\$6,613,700	\$0	\$3,106,099	\$0	\$3,507,601

	<u>FY 2015-16</u>				
Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
IHSS Basic – Services	\$2,876,451	\$0	\$1,473,192	\$0	\$1,403,259
Community First Choice Option (CFCO)	4,125,012	0	1,815,005	0	2,310,007
**Minimum Wage Impact	71,338	0	36,026	0	35,312
Total	\$7,001,463	\$0	\$3,288,197	\$0	\$3,713,266

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*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Reduction in Service Hours*

DESCRIPTION:

This premise reflects the savings and administrative costs associated with reducing IHSS service hours for all recipients in accordance with the IHSS Settlement Agreement, filed March 28, 2013. This settlement resolves two class-action lawsuits: *Oster v. Lightbourne* and *Dominguez v. Schwarzenegger*. Premises previously associated with these lawsuits include the Cost Containment premise (*Oster I*), 20 Percent Trigger Reduction (*Oster II*) and Reduce Wages to \$9.50 and \$0.60 in Health Benefits (*Dominguez*).

Initially a 3.6 percent across-the-board reduction to IHSS service hours was implemented February 1, 2011, and sunsetted on June 30, 2013. As a settlement to the above lawsuits, an eight percent reduction to authorized service hours was implemented on July 1, 2013. This reduction is lowered to seven percent effective July 1, 2014. Due to the 3.6 percent reduction to authorized hours from February 1, 2011, through June 30, 2013, this premise reduces service hours by an additional 3.4 percent in FY 2014-15 and subsequent years.

IMPLEMENTATION DATE:

This premise implemented July 1, 2013.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: W&IC section 12301.02.
- There is a seven percent reduction to projected IHSS service hours.
- The net impact of the reduction to service hours after appeals based on changes in circumstances will be 6.47 percent.
- Monthly service hours prior to reductions are 44.2 million hours in FY 2014-15 and 46.2 million hours in FY 2015-16.
- The average provider cost per hour is \$12.47 in FY 2014-15 and \$12.62 in FY 2015-16.
- There are offsets for county administrative costs associated with appeals based on changes in recipient circumstances.
- The social worker unit cost per hour is \$60.55.
- Social workers will need 100,427 in FY 2014-15 and 105,075 hours in FY 2015-16 for the combined reassessments and follow-up activities as requested by the recipients impacted by the reduction.

METHODOLOGY:

The savings from services are calculated by multiplying the total hours by the net reduction by provider cost per hour. Administrative costs are calculated by multiplying the social worker cost by the amount of social worker time required to perform reassessments and follow-up activities.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Restoration in Service Hours*

DESCRIPTION:

This premise reflects the cost of restoring the reduction to IHSS service hours implemented under W&IC 12301.02. Effective in FY 2014-15 and all subsequent years, IHSS recipients received a seven percent reduction to authorized service hours.

IMPLEMENTATION DATE:

This premise will implement July 1, 2015.

KEY DATA/ASSUMPTIONS:

- The Reduction in Service Hours premise accounts for IHSS basic cost savings as a result of the statutory reduction. To restore service hours, costs of \$452.9 million are included to offset these savings for FY 2015-16.
- The CCI premise assumes new cases associated with the CCI population receive the FY 2014-15 reduction in service hours. Costs of \$7.1 million associated with restoring hours to this population are included for FY 2015-16.
- The Caseload Impact of the ACA premise assumes new cases associated with the newly eligible ACA population also received the FY 2014-15 reduction in service hours. Costs of \$4.0 million associated with restoring hours to this population are included for FY 2015-16.
- The FLSA Regulations, Overtime and Compliance premise accounts for hours under the assumption that the FY 2014-15 reduction in service hours remains in place. Costs of \$26.5 million associated with additional hours subject to overtime pay are included for FY 2015-16.

METHODOLOGY:

The costs are calculated by offsetting the savings in the Reduction in Service Hours premise by the additional cost of restoring hours to new populations associated with CCI and ACA and the additional costs associated with the FLSA overtime.

FUNDING:

Costs are shared based on FFP eligibility criteria. Newly eligible ACA cases will have FFP of 100 percent. Cases eligible for CFCO funding will have FFP of 56 percent. All other cases will have FFP of 50 percent. Non-federal costs are 100 percent GF due to implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 increase in total cost reflects higher average hours per case and higher provider cost per hour offset by a decrease in ACA and CCI caseloads. The decrease in federal costs for FY 2015-16 reflects the decrease in ACA caseload.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Restoration in Service Hours*

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in FY 2015-16.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
Restoration in Service Hours	\$0	\$0	\$0	\$0	\$0

FY 2015-16

Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
Restoration in Service Hours	\$490,559	\$0	\$227,965	\$0	\$262,594

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

IHSS Caseload Impact of the ACA^{*}

DESCRIPTION:

This premise reflects the costs associated with the IHSS program from an increase in the IHSS population as a result of implementing the Patient Protection and ACA, PL 111-148.

Effective January 2014, the ACA provides an enhanced FMAP rate for services to newly eligible individuals between 19 and 65 years of age whose household income does not exceed 138 percent of the federal poverty level. Due to the changes in Medi-Cal eligibility resulting from the ACA, newly eligible adults, some of which were previously covered under other programs such as the Low Income Health Program, are transitioning into Medi-Cal and seeking IHSS services.

The DHCS' ACA optional expansion aid codes identify the newly eligible individuals who utilize IHSS services. These cases are eligible for an enhanced FMAP of 100 percent through June 2016.

Increases to the IHSS caseload for new recipients qualified under previous eligibility requirements are not accounted for in this premise. In addition to newly eligible individuals in the optional expansion, it is anticipated that unidentified Medi-Cal eligible individuals will apply for IHSS services due to outreach, advertisements and community activities to recruit the expansion population.

IMPLEMENTATION DATE:

This premise implemented January 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: ABX1 1 (Chapter 3, First Extraordinary Session, Statutes of 2013) and SBX1 1 (Chapter 4, First Extraordinary Session, Statutes of 2013) changed the following W&IC sections as related to the IHSS program: 14005.30, 14005.37, 14005.60, 14005.61, 14005.64, 14005.65, 14005.66, 14005.67, 14005.68, 14011.66, 14014.5, 14016.5, 14057, 14102.5, 14103, 14132, 14132.02 and 15926.
- Based on 2014 data for IHSS recipients associated with the optional expansion population, there were approximately 1,000 ACA cases included in the basic IHSS caseload at the end of FY 2013-14. The average monthly ACA caseload is projected to be 2,658 in FY 2014-15 and 5,718 in FY 2015-16.
- Newly eligible adults between 19 and 65 years of age use an average of 75 IHSS hours per case per month.
- The provider cost per hour is \$12.47 in FY 2014-15 and \$12.62 in FY 2015-16.
- The social worker unit cost is \$60.55 per hour.
- The standard social worker hours per case per year are 11.58 hours.
- The supportive Individual Provider cost per case is \$20.99 per case per year.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

IHSS Caseload Impact of the ACA^{*}

METHODOLOGY:

Service costs are calculated by multiplying the increase to IHSS caseload by the average hours per case and by the provider cost per hour on a monthly basis. For existing ACA cases budgeted under the basic caseload, the enhanced FMAP of 50 percent is included in this premise.

Administrative costs are calculated by multiplying the increase to IHSS caseload by the social worker hours per case per year and by the social worker unit cost. The Supportive Individual Provider cost is computed by multiplying the increased IHSS caseload by the Supportive Individual Provider cost per case per year. For existing ACA cases budgeted under the basic caseload, no administrative costs are reflected in this premise.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, based on FFP eligibility criteria. Service costs receive a FMAP of 100 percent for both FY 2014-15 and FY 2015-16. Administration costs receive a FMAP of 50 percent for eligible cases. The federal share is reflected as a reimbursement, consistent with actual cash flow. Funding for non-federal costs is 100 percent GF due to implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 decrease in service and administration cost reflects a decrease in the projected new ACA cases utilizing IHSS services and the average hours per case per month for these cases based on data from 2014.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects an increase in caseload.

EXPENDITURES:

(in 000s)

Caseload Impact of the ACA	Total	FY 2014-15			Reimb.
		Federal	State	County	
Item 111 – IHSS Services	\$24,291	\$0	\$0	\$0	\$24,291
Item 111 – IHSS Administration	1,197	0	601	0	596
Total	\$25,488	\$0	\$601	\$0	\$24,887
Caseload Impact of the ACA	Total	FY 2015-16			Reimb.
		Federal	State	County	
Item 111 – IHSS Services	\$59,497	\$0	\$0	\$0	\$59,497
Item 111 – IHSS Administration	3,407	0	1,710	0	1,697
Total	\$62,904	\$0	\$1,710	\$0	\$61,194

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

FLSA Regulations, Overtime and Compliance*

DESCRIPTION:

This premise reflects the cost of compliance with the federal pay regulations for direct care workers that impact IHSS provider overtime, payment for commute time between multiple recipients and wait time associated with medical accompaniment. In September 2013, the United States Department of Labor issued its Final Rule concerning domestic workers under the FLSA. The regulations were scheduled to go into effect January 2015 and contain several significant changes impacting the IHSS program, including: (1) more clearly defining the tasks that comprise “companionship services”; and (2) limiting exemptions for companionship services and live-in domestic service employees to the individual, family, or household using the services, and not third-party employers.

Under the Final Rule, the state, as a third-party employer, can no longer claim the “companionship services” or “live-in domestic service employee” exemption under the federal minimum wage and overtime regulations. This means the state will be required to pay IHSS providers overtime under the FLSA. Because the state is no longer able to claim minimum wage and overtime exemptions, the state is required to compensate providers for commute time between multiple recipients and wait time during medical accompaniment.

IMPLEMENTATION DATE:

This premise was scheduled to implement January 2015. However, in late December 2014, a federal district court ruled that a portion of the regulations exceeded the federal Department of Labor’s authority and delayed implementation of the regulations. On January 14, 2015, the U.S. Court of Appeals for the District of Columbia vacated the regulations, ruling the Department of Labor had exceeded its authority. Under state law, the state’s implementation of overtime, commute time, and wait time is also delayed pending further action by the federal court. The Department of Labor has appealed this decision, but in the interim the state has halted implementation of the federal regulations until the courts make a final decision.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: FLSA Department of Labor Wage and Hour Division 29 CFR Part 552, W&IC sections 12300.4, 12300.41 and 12301.1.

FLSA Overtime

- SB 855 added section 12300.4 to the W&IC to specify that IHSS providers are not permitted to work a total number of authorized hours within a workweek that exceed 66, as reduced by the net percentage defined in W&IC sections 12301.02 and 12301.03.
- A new process has been developed to implement work week agreements for all recipients and providers. Labor law requires providers to be paid for any time worked, even if the provider has been instructed not to work. Providers working beyond work week limitations will be subject to disciplinary action, including termination. Overtime during FY 2015-16 will cost \$6.31 per hour in FY 2015-16 (based on regular wages of \$12.62 per hour).

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

FLSA Regulations, Overtime and Compliance^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

FLSA Compliance

- The state is not eligible to claim the minimum wage and overtime exemptions; therefore, the state is required to comply with the provisions of FLSA including payment to providers for time spent traveling between recipients and waiting for recipients during medical accompaniment.
- Eighteen percent of providers serve multiple recipients. It is estimated providers will spend an average of ten hours per month traveling between recipients.
- Eighty-seven percent of recipients will have a provider accompany them to medical visits. It is estimated providers will spend three hours per month waiting for recipients to complete their appointments during medical accompaniment.

Providers with Multiple Live-in Recipients

- The workweek hour limitations apply to all providers, including when a provider works for multiple IHSS recipients in their home. In order to allow these providers to perform personal tasks in excess of the workweek restrictions, the state is pursuing options for by case exceptions with the CMS that would allow them to exceed the workweek limits in the W&IC 12300.4 without noncompliance violations.
- There are 760 cases in FY 2015-16 of providers with multiple IHSS recipients in their home.
- This premise will implement upon federal approval of an exception. The state is also evaluating other federal options that may allow for additional flexibilities for this provider population.

FLSA Administration

- A notification will be mailed to current IHSS providers explaining the new policy and workweek agreement.
- Wage cost per hour is \$60.55 for social workers and \$16.80 for clerks.
- Outreach and Technical Assistance:
 - For the existing population, one-time costs are included in FY 2015-16 for social workers to respond to questions regarding notices and workweek agreements.
 - Ongoing costs are included to assist new recipients and providers with their workweek agreements.
- Overtime Approval/Exception Process:
 - It is assumed that a portion of the population with more complex care needs will call their social worker for one hour of assistance monthly in FY 2015-16.
 - Ongoing costs are included to assist new recipients with complex care needs three times per year.

^{*}Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

FLSA Regulations, Overtime and Compliance^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

- In accordance with W&IC sections 12300.4(b)(5), a provider who violates the limitations on overtime and/or the travel time regulations on multiple occasions will be terminated as a provider. Violations are assessed in a four-stage process:
 - The first time a provider exceeds the work and/or travel limits they will receive a written notice which will require an hour of social worker time.
 - The second time a provider exceeds the work and/or travel limits they will receive a second written notice and will be required to attend a mandatory training. If the provider fails to attend the mandatory training, they will automatically receive a third violation. Social workers will spend 30 minutes processing second violations for providers who complete the mandatory training and three hours for second violations for providers who do not complete the mandatory training (which includes the third violation).
 - The third violation will result in a three month suspension for the provider and will require two hours of social worker time.
 - If a fourth violation occurs after the provider returns from suspension they will be terminated as an IHSS provider for one year. Social workers will spend two hours processing these violations.
- The cost of adding providers to the Public Authority registry is \$34.50 per provider.
- A 24-month study will be conducted with one-time costs of \$250,000 in FY 2015-16 in accordance with the W&IC section 12300.41(b).

METHODOLOGY:

- The estimated costs for FLSA overtime will ultimately depend on the outcome and timing of the court's final ruling.
- The estimated costs for FLSA overtime are calculated by adding the total costs associated with overtime.
- For FLSA compliance, monthly costs for travel time are calculated by multiplying the number of providers serving multiple recipients by the cost per hour for ten hours.
- Monthly costs for wait time during medical accompaniment are calculated by multiplying the number of recipients in need of medical accompaniment and the cost per hour for three hours.
- For providers with multiple live-in recipients, monthly costs are calculated by multiplying the additional hours for these providers in excess of the hours allowed under the new restrictions by the number of cases by the overtime cost per hour.
- The FLSA administration costs are calculated by adding the total costs associated with additional social worker and clerical activities related to notices, workweek agreements, overtime approvals/exceptions and violations to the cost of adding additional providers to registries and the 24-month study.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

FLSA Regulations, Overtime and Compliance *

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, based on FFP eligibility criteria. For cases eligible for CFCO funding, approved service costs receive a FMAP of 56 percent. All other costs receive a FMAP of 50 percent. The federal share is reflected as a reimbursement, consistent with actual cash flow. Overtime and service costs for wait time during medical accompaniment are eligible for enhanced CFCO funding. Commute time and administrative costs are not eligible for CFCO funding.

Funding for all non-federal costs is 100 percent GF due to the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

CHANGE FROM GOVERNOR'S BUDGET:

The decrease in FY 2014-15 is due to suspended implementation.

The decrease to FLSA overtime in FY 2015-16 reflects lower projections for supplemental CCI and ACA caseloads.

The decrease to the total for FLSA compliance in FY 2015-16 reflects lower projections for supplemental CCI and ACA caseloads, offset by higher provider cost per hour which leads to an increase in GF.

The slight increase to Providers with Multiple live-in Recipients in FY 2015-16 is due to higher provider cost per hour.

The increase to FLSA administration in FY 2015-16 reflects a shift of one-time costs from FY 2014-15 due to suspended implementation.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise is expected to implement in FY 2015-16.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
FLSA Overtime	\$0	\$0	\$0	\$0	\$0
FLSA Compliance	0	0	0	0	0
Providers with Multiple Live-in Recipients	0	0	0	0	0
Item 111 – IHSS Administration					
FLSA - Administration	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

FLSA Regulations, Overtime and Compliance^{*}

EXPENDITURES (CONTINUED):

(in 000s)

	<u>FY 2015-16</u>				
	Total	Federal	State	County	Reimb.
Item 111 – IHSS Services					
FLSA Overtime	\$352,237	\$0	\$158,727	\$0	\$193,510
FLSA Compliance	313,131	0	148,085	0	165,046
Providers with Multiple Live-in Recipients	4,432	0	2,052	0	2,380
Item 111 – IHSS Administration					
FLSA - Administration	51,150	0	25,677	0	25,473
Total	\$720,950	\$0	\$334,541	\$0	\$386,409

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

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Coordinated Care Initiative (CCI)*

DESCRIPTION:

This premise reflects the costs of providing services to IHSS recipients under CCI. The CCI will be administered by DHCS and is designed to improve care for beneficiaries eligible for both the state Medi-Cal program and the federal Medicare program. The CCI will assist IHSS recipients in accessing seamless, coordinated and quality care and help them find medical professionals, customer service and support groups. As a CCI benefit, IHSS will continue to be administered by CDSS.

There are two major components of the CCI: Cal MediConnect and Managed Medi-Cal Long-Term Supports and Services. Under the Cal MediConnect plan, all of a beneficiary's services will be combined into a single health plan. Managed Medi-Cal Long-Term Supports and Services will require Medi-Cal beneficiaries (including those who have opted out of Cal MediConnect or were not eligible for Cal MediConnect) to join a Medi-Cal managed care plan to receive their benefits.

In accordance with implementation of CCI, Care Coordination Teams will be established to assist CCI recipients in developing and personalizing a care plan, better manage diverse care needs and ensure delivery of the right services at the right time and place. Enrollment in a Care Coordination Team is voluntary and may include the CCI recipient's primary care physician, nurses, IHSS social workers, IHSS providers and others, as appropriate.

IMPLEMENTATION DATE:

This premise implemented in April 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: SB 1008 (Chapter 33, Statutes of 2012) and SB 1036 (Chapter 45, Statutes of 2012) changed the following sections of California law as related to the IHSS program: Government Code section 6531.5; Government Code Title 23; W&I sections 10101.1, 12306, 12306.1, 12306.15, 12330, 14182, 14186, 14186.35 and 14186.36.
- The CCI consists of seven pilot counties (Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo and Santa Clara), which implement on a phase-in basis staggered by sub-population groups beginning April 2014. Orange County is expected to begin phased-in implementation August 2015.
- CDSS will continue to budget IHSS service and administrative costs as normal for those IHSS recipients covered under the CCI.
- The DHCS will estimate and budget the costs of recipients in long-term care settings who will exit and receive IHSS in a home-based or community-based setting. These new cases will result in an increased caseload and cost to the IHSS program.
- This premise includes CFCO funding for eligible service costs.
- The social worker cost is \$60.55 per hour.
- The standard social worker hours are 11.58 hours per case per year.
- The supportive IP cost per case is \$20.99 per case per year.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Coordinated Care Initiative (CCI)*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Ten percent of CCI recipients will participate in the CCI Care Coordination Team. Care Coordination Teams will require one hour of social worker time per year for each participating recipient.

METHODOLOGY:

- The CCI service costs associated with IHSS are estimated by DHCS, using actual FY 2010-11 IHSS service expenditures along with other home-based and community-based services expenditures and a projected annual growth rate.
- The estimated CCI costs incorporate county capitation rates and assumes a portion of each county specific rate is attributable to IHSS service costs.
- CCI New Administration Costs are calculated by multiplying the derived average monthly CCI caseload for the new CCI population by the standard social worker hours per case per year and by the social worker unit cost. The Supportive IP cost is computed by multiplying the average monthly new CCI caseload by the Supportive IP cost per case. The costs related to provider orientation, provider background checks and provider enrollment forms are calculated by multiplying the cost per case per year by the average monthly caseload for the new CCI population.
- CCI Care Coordination Team administrative costs are calculated by multiplying the annual CCI population assumed to participate in a Care Coordination Team by the social worker cost per hour and by one hour.

FUNDING:

CCI service costs are included in the DHCS budget. The non-federal costs are displayed as a reimbursement.

Federal funding is provided by Title XIX of the Social Security Act, with the amount of FFP based on the FMAP for eligible cases. For service costs, cases eligible for CFCO funding will have FFP of 56 percent and all other cases will have FFP of 50 percent. For administrative costs, FFP is based on the FMAP of 50 percent for eligible cases. The federal share is reflected as a reimbursement, consistent with actual cash flow.

Funding for non-federal costs is 100 percent GF. The IHSS county MOE establishes fixed expenditures for each specific county. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Federally Ineligible Providers *

DESCRIPTION:

This premise reflects the cost of a state/county funded program for 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 W&IC section 12305.81. These crimes include 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 expands the list of convictions that can be used as a basis to exclude a provider from the program.

State statute authorizes an IHSS recipient to waive the exclusionary convictions of an individual, as identified under that same section, and continue to receive services from the otherwise ineligible provider. Statute 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 crimes and waiver/exception processes are not consistent with federal requirements for excluded Medicaid providers.

To ensure CDSS continues to receive federal reimbursement and to comply with the requirements of the *Beckwith* court order, a state/county funded program was established. This program allows enrollment of providers who have criminal conviction(s) that are not identified in W&IC sections 12305.81 and 12305.87 but warranted placement on the federal OIG list (requiring exclusion from Medicaid participation) and due to the court order, must be allowed to continue working for their Medi-Cal recipients. As these providers are ineligible to provide services to Medicaid-eligible recipients, this premise creates the necessary funding shift to assure no federal share is used in the compensation of service hours provided under these circumstances.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010, with a retroactive application to November 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: W&IC sections 12305.81 and 12305.87.
- This estimate reflects the non-federal costs and federal savings adjustments associated with providers who are on the OIG and Suspended and Ineligible Provider list. These providers are ineligible to receive compensation with a federal share for services provided.
- The estimate shifts the costs for 320 providers in FY 2014-15 and 335 providers in FY 2015-16 who provide services under an individual waiver or a general exception. Based on the ratio of providers to recipients in FY 2013-14, this will impact 337 cases in FY 2014-15 with an average of 93 monthly hours per recipient and 353 cases in FY 2015-16 with an average of 99 monthly hours per recipient after the restoration to service hours.
- The average provider cost per hour is \$12.47 in FY 2014-15 and \$12.62 in FY 2015-16.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Federally Ineligible Providers *

METHODOLOGY:

The costs are calculated by multiplying the number of recipients who are being served by a provider who receives an individual waiver or general exception by the average hours and the cost per hour for 12 months. The cost for 50 percent of these cases, originally identified as federal costs under basic services, are then shifted to GF costs.

FUNDING:

Funding for non-federal costs is 100 percent GF due to the implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change to the total funding amounts. The FY 2014-15 and FY 2015-16 increase in GF reflects a higher number of ineligible providers, higher average hours per recipient and higher provider cost per hour.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change to the total funding amounts. The GF increase reflects provider growth and increased provider cost per hour.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
Federally Ineligible Providers	\$0	\$0	\$2,344	\$0	-\$2,344
	 <u>FY 2015-16</u>				
Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
Federally Ineligible Providers	\$0	\$0	\$2,645	\$0	-\$2,645

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

California Community Transitions Money Follows the Person Rebalancing Demonstration*

DESCRIPTION:

This premise reflects the CDSS' receipt of an enhanced FMAP as a result of the California Community Transitions Money Follows the Person Rebalancing Demonstration, which is administered by DHCS. This program provides an enhanced FMAP to CDSS via an interagency agreement with DHCS for eligible Medi-Cal beneficiaries who have transitioned out of long-term health care facilities into community or home living environments and are receiving IHSS.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2011, with benefits retroactive to June 30, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Deficit Reduction Act of 2005 section 6071 (PL 109-171) and the Patient Protection and ACA section 2403 (PL 111-148).
- The enhanced FMAP is available for qualified services provided to California Community Transitions participants for 365 days after transition from a long-term health care facility.
- The California Community Transitions cases receive an enhanced FMAP of 75 percent. California Community Transitions cases already receiving a CFCO enhanced FMAP receive a reduced enhancement of 69 percent.
- On average, each month 270 recipients (150 CFCO cases) in FY 2014-15 and 310 recipients (170 CFCO cases) in FY 2015-16 will transition from long-term health care facilities into IHSS.
- The average provider cost per hour is \$12.47 in FY 2014-15 and \$12.62 in FY 2015-16.
- The average monthly hours per recipient are 93 hours in FY 2014-15 and 99 in FY 2015-16 after the impact of the restoration to service hours.

METHODOLOGY:

The cost of this premise is calculated by multiplying the number of California Community Transitions recipients by the cost of their average service hours.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, the Deficit Reduction Act of 2005 section 6071 (PL 109-171) and the Patient Protection and ACA section 2403 (PL 111-148) with the amount of FFP based on the FMAP for eligible cases. The federal share is reflected as a reimbursement, consistent with actual cash flow. Funding for non-federal costs is 100 percent GF due to the implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

California Community Transitions Money Follows the Person Rebalancing Demonstration*

CHANGE FROM GOVERNOR’S BUDGET:

The FY 2014-15 and FY 2015-16 increase reflects higher provider cost per hour and hours per case.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects higher provider cost per hour and hours per case.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>				
Item 111 – IHSS Services	Total	Federal	State	County	Reimb.	
California Community Transitions Money Follows the Person	\$3,758	\$0	\$1,065	\$0	\$2,693	
		<u>FY 2015-16</u>				
Item 111 – IHSS Services	Total	Federal	State	County	Reimb.	
California Community Transitions Money Follows the Person	\$4,648	\$0	\$1,315	\$0	\$3,333	

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Provider Wage Reimbursement*

DESCRIPTION:

This premise reflects the costs associated with managing incorrect share of cost deductions from IHSS provider wages. Currently, there is no process to directly pay providers when an incorrect share of cost deduction is made. The recipient can pay the provider for the erroneous deduction and file a claim for reimbursement using the Conlan II claim process. Due to financial hardship, some recipients are unable to front payments. The provider wage reimbursement process will allow providers to contact the county and request payment directly.

This process will mitigate financial hardship for IHSS recipients and providers, assist in preventing disruption of IHSS services if the recipient cannot reimburse his/her provider and avoid potential legal action by IHSS providers and labor unions relating to payment of wages.

IMPLEMENTATION DATE:

This premise implemented on September 1, 2014.

KEY DATA/ASSUMPTIONS:

- Approximately 70 providers receive provider wage reimbursement in FY 2014-15 and 93 in FY 2015-16.
- The average payout per case is \$774.52 each year.
- One hour of social worker time is needed for activities associated with claim processing. These activities include confirmation of the correct share of cost between the MEDS and CMIPS systems, analyzing database information, completing the county form, assembling claim files and sending claim forms to CDSS APD for processing.
- The social worker unit cost is \$60.55 per hour.

METHODOLOGY:

The estimated administrative cost is calculated by multiplying the social worker cost for one hour by the number of incorrect deduction claims. The estimated wage reimbursement cost is computed by multiplying the average payout per case by the number of cases assumed to receive provider wage reimbursement each year.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for eligible cases. The federal share is reflected as a reimbursement, consistent with actual cash flow. Funding for non-federal costs is 100 percent GF due to implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

CHANGE FROM GOVERNOR'S BUDGET:

The decrease in FY 2014-15 and FY 2015-16 reflects a decrease in cases.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Provider Wage Reimbursement*

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects the increase of cases.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
Provider Wage Reimbursement	\$54	\$0	\$27	\$0	\$27
Item 111 – IHSS Administration					
Provider Wage Reimbursement - Administration	4	0	2	0	2
Total	\$58	\$0	\$29	\$0	\$29

FY 2015-16

Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
Provider Wage Reimbursement	\$72	\$0	\$36	\$0	\$36
Item 111 – IHSS Administration					
Provider Wage Reimbursement - Administration	6	0	3	0	3
Total	\$78	\$0	\$39	\$0	\$39

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Conlan^{*}

DESCRIPTION:

This premise reflects the costs for reimbursement of eligible IHSS personal care services rendered during the Medi-Cal eligibility determination period and up to three months prior to applying for services. Eligible recipients may also be reimbursed under this premise for excess share of cost paid after approval of eligibility. In *Conlan v. Bonta*, the San Francisco Superior Court ordered prompt reimbursement to Medi-Cal recipients for covered services performed 90 days prior to the Medi-Cal application date. The DHCS implementation plan to comply with *Conlan v. Bonta* is the subject of *Conlan v. Shewry*. Beginning in December 2006, DHCS sent notices to current and former Medi-Cal beneficiaries regarding the process to file a beneficiary reimbursement claim. The DHCS contracts with Affiliated Computer Services to process the reimbursement claims and forward them to CDSS APD for finalization.

IMPLEMENTATION DATE:

The court ordered a start date of November 16, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: ACL 07-11 (February 20, 2007) and ACL 07-32 (September 13, 2007).
- Approximately 37 claims for services rendered during the evaluation period or post-approval will be forwarded to APD each month in FY 2014-15 and FY 2015-16. This accounts for the assumption that claims are reduced in comparison to FY 2013-14 by the implementation of the provider wage reimbursement process, reducing claims filed by recipients for reimbursement of excess share of cost paid.
- The average cost per claim is \$774.52.

METHODOLOGY:

The estimated cost is calculated by multiplying the number of claims by the average cost per claim.

FUNDING:

Funding for Conlan claims is 100 percent GF due to the implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

CHANGE FROM GOVERNOR'S BUDGET:

The decrease in FY 2014-15 and FY 2015-16 is due to a lower number of claims paid offset by higher average payout per claim.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Conlan*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
Conlan	\$340	\$0	\$340	\$0	\$0

FY 2015-16

Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
Conlan	\$340	\$0	\$340	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Waivers for Personal Care Services^{*}

DESCRIPTION:

This premise reflects the costs for personal care services that are provided above a recipient's assessed authorized hours under the IHSS program.

On January 1, 2007, the previous Nursing Facility Level A/B, Nursing Facility Subacute and In-Home Medical Care Waivers were merged into two distinct home and community-based services waivers: the Nursing Facility/Acute Hospital Waiver and the In-Home Operations Waiver. All existing waiver participants were transitioned to one of the new waivers using specific level of care and cost neutrality criteria. The vast majority of existing participants were enrolled in the Nursing Facility/Acute Hospital Waiver.

Waivers for Personal Care Services were 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 IHSS prior to receiving Waivers for Personal Care Services, waiver consumers must first utilize authorized state plan IHSS hours prior to accessing this waiver service. 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 home and community-based services waiver provider types who will be paid via the Medi-Cal fiscal intermediary.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 14132.97.
- The federal CMS approved a temporary extension for the In-Home Operations Waiver through March 30, 2015. The In-Home Operations Waiver for January 1, 2015 through December 31, 2019 is pending CMS approval.
- The Nursing Facility/Acute Hospital Waiver was renewed on December 1, 2012, and has been extended through December 31, 2016.
- The projected Nursing Facility/Acute Hospital Waiver hours for Nursing Facility Level A/B (intermediate/skilled) is 2,428,913 in FY 2014-15 and 2,792,919 in FY 2015-16.
- The projected Nursing Facility/Acute Hospital Waiver hours for Nursing Facility Subacute Level of Care is 1,221,658 in FY 2014-15 and 1,332,261 in FY 2015-16.
- The projected In-Home Operations Waiver hours for Nursing Facility Level A/B (intermediate/skilled) is 144,393 in FY 2014-15 and FY 2015-16.
- The projected In-Home Operations Waiver hours for Nursing Facility Subacute Level of Care is 31,043 in FY 2014-15 and FY 2015-16.
- The cost per hour is assumed at \$10.46 in FY 2014-15 and \$10.60 in FY 2015-16.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Waivers for Personal Care Services^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on FY 2013-14 claim data, workers compensation cost for Waivers for Personal Care Services providers is estimated to be \$4,596,249 in FY 2015-16 for cost incurred in FY 2014-15 and FY 2015-16. Workers compensation cost for Waivers for Personal Care Services providers is included under the IHSS workers compensation policy and billed to DHCS.

METHODOLOGY:

Costs are calculated by multiplying the projected total waiver hours by the cost per hour for waiver costs. Workers compensation costs for Waivers for Personal Care Services providers are added to calculate the total reimbursement from DHCS to CDSS.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, with a FMAP of 56 percent in accordance with CFCO eligible funding. The non-federal share of the service costs is funded with 100 percent GF. The DHCS draws down GF and Title XIX reimbursement shares for this premise through its budget. CDSS receives full reimbursement from DHCS.

CHANGE FROM GOVERNOR’S BUDGET:

The decrease in FY 2014-15 reflects a shift of FY 2014-15 workers compensation cost to FY 2015-16. The increase in FY 2015-16 reflects the shift of workers compensation cost and an increase in hours.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects an increase in hours and delayed workers compensation costs.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>				
Item 111 – IHSS Services	Total	Federal	State	County	Reimb.	
Waivers for Personal Care Services	\$40,020	\$0	\$0	\$0	\$40,020	
		<u>FY 2015-16</u>				
Item 111 – IHSS Services	Total	Federal	State	County	Reimb.	
Waivers for Personal Care Services	\$50,183	\$0	\$0	\$0	\$50,183	

**Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.*

Title XIX Reimbursement – IHSS/CWS/APS*

DESCRIPTION:

This premise summarizes the FFP associated with Title XIX eligible services as authorized under Title XIX of the federal Social Security Act across all local assistance programs administered by CDSS. Certain IHSS assessment and eligibility activities are eligible to receive Title XIX funding. Certain health-related activities in CWS and APS are also eligible to receive these funds. CDSS coordinates with DHCS to establish claiming processes to draw down applicable FFP for eligible costs.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 12300 through 12317.2, 15703 through 15705.40 and 16500.
- Realigned and non-realigned Title XIX eligible expenditures are displayed in this premise for reference. For more information on realigned programs, please refer to the 2011 Realignment tab of this binder.
- Title XIX reimbursements for IHSS services and administration, CMIPS, CWS and APS are displayed in the CDSS tables in the reimbursement column on the corresponding table lines.
- The CCI reimbursement table line does not include any Title XIX reimbursements. Reimbursements included on this line represent GF reimbursement for costs budgeted by DHCS.
- Waivers for Personal Care Services includes \$17.6 million in GF reimbursement from DHCS in FY 2014-15 and \$22.1 million in FY 2015-16. The remaining reimbursements, \$22.4 million and \$28.1 million respectively, are Title XIX.
- The non-realigned CWS premises with eligible Title XIX costs include the CWS/CMS Ongoing M&O, CWS-NS Project and Katie A. Settlement Agreement Reporting premises. Please refer to the corresponding premises for additional information.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act.

The IHSS services eligible for federal funding receive Title XIX reimbursement based on the FMAP of 56 percent for CFCO eligible services and 50 percent for all other services. The IHSS Basic Services table line accounts for Title XIX reimbursements based on an FMAP of 50 percent for all federally eligible cases. The CFCO table line represents the additional six percent Title XIX funding for eligible cases included in IHSS Basic Services. For California Community Transitions Money Follows the Person Rebalancing Demonstration cases, Title XIX reimbursement is based on the FMAP of 69 percent for CFCO cases and 75 percent for all other cases.

Federally eligible IHSS administrative costs are based on a FMAP rate of 50 percent. The resulting FFP is 49.8 percent for FY 2014-15 and FY 2015-16. The CMIPS support contracts and CMIPS II systems are eligible to receive Title XIX reimbursement at the rate of 49.8 percent.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Title XIX Reimbursement – IHSS/CWS/APS*

FUNDING (CONTINUED):

The CWS program costs receive Title XIX funding at the enhanced administrative rate of 75 percent for SPMP eligible costs and 50 percent for non-SPMP costs. The APS health-related activities in support of Medi-Cal eligible recipients are eligible to receive Title XIX reimbursement at the 50 percent rate. Eligible SPMP activities receive Title XIX reimbursement at the enhanced 75 percent rate. A portion of the CWS and APS programs has been realigned and is included in the 2011 Realignment tab.

CHANGE FROM GOVERNOR’S BUDGET:

The decrease in IHSS services and administration reflects updated caseload and actual expenditures. The increase in CMIPS reflects updated costs. The decrease in CWS reflects baseline budget adjustments to CWS/CMS Ongoing M&O, offset by an increase in CWS-NS Project. The increase in APS reflects updated expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in IHSS services and administration reflects updated caseload and actual expenditures. The decrease in CMIPS reflects updated costs. The increase in CWS reflects updated actual expenditures and an increase to the CWS-NS Project, offset by a decrease to CWS/CMS Ongoing M&O and the discontinuation of the Katie A. Settlement Agreement Reporting premise. There is no change for APS.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>
Item 111 – IHSS	Reimbursement
IHSS Services and Administration	\$3,537,534
CMIPS	70,047
Item 151 – Health Related Activities	
CWS Administration	125,859
APS Administration	107,102
Total	\$3,840,542
	<u>FY 2015-16</u>
Item 111 – IHSS	Reimbursement
IHSS Services and Administration	\$4,430,900
CMIPS	41,842
Item 151 – Health Related Activities	
CWS Administration	146,032
APS Administration	107,102
Total	\$4,725,876

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

IHSS Basic – Administration *

DESCRIPTION:

This premise reflects the costs of administering the IHSS program through the PCSP, IHSS Plus Option, Residual and CFCO programs. 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 includes administrative costs for completion of the emergency contact and back-up form. The DHCS is required to submit a Medicaid State Plan Amendment to the federal CMS to include a portion of the IHSS program as a covered service so that IHSS PCSP, IHSS Plus Option and CFCO would be eligible to receive federal funds.

IMPLEMENTATION DATE:

This premise implemented on April 1, 1993. A reduction by five percent pursuant to the Budget Act of 2008 was implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 12300 through 12314 and 14132.95.
- The social worker unit cost is \$60.55 per hour.
- The standard hours per case per year are 11.58 hours.
- The baseline Supportive Individual Provider cost from the 2007-08 Appropriation is adjusted to reflect the percent of caseload growth. The projected Supportive Individual Provider expenditures are \$9.4 million total funds for FY 2014-15 and \$9.8 million total funds for FY 2015-16.
- Average cases per month are projected to be 446,341 in FY 2014-15 and 467,000 in FY 2015-16.

METHODOLOGY:

The estimated cost is calculated by multiplying the average monthly caseload by the standard hours per case per year and the social worker unit cost. The projected Supportive Individual Provider expenditures are then added, and the sum of those two components is reduced by the FY 2007-08 budget-balancing adjustments of \$15 million total funds.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for eligible cases. The federal share is reflected as a reimbursement, consistent with actual cash flow. Funding for non-federal costs is 100 percent GF due to implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 decrease reflects a lower caseload than projected in the 2014-15 Appropriation. The FY 2015-16 increase reflects a higher average monthly caseload than projected in the 2015 Governor's Budget.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

IHSS Basic – Administration*

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2015-16 increase reflects a higher average monthly caseload.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>				
Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.	
IHSS Basic – Administration	\$307,335	\$0	\$154,282	\$0	\$153,053	
		<u>FY 2015-16</u>				
Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.	
IHSS Basic – Administration	\$322,255	\$0	\$161,772	\$0	\$160,483	

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Statewide Authority*

DESCRIPTION:

The California IHSS Statewide Authority (Statewide Authority) will serve as the employer of record for IHSS providers, for collective bargaining purposes only, in the seven CCI demonstration counties. This premise reflects costs of Statewide Authority operations, union representatives and Title XIX reimbursement costs for California Department of Human Resources positions. The CDSS and California Department of Human Resources are jointly providing support to the Statewide Authority. California Department of Human Resources, under the direction of the Statewide Authority, will be responsible for the day-to-day labor relations, contract administration and collective bargaining. As the single state agency to administer or oversee the administration of the Medicaid program pursuant to Title XIX of the Social Security Act, DHCS has designated CDSS as the state department to implement the IHSS program and its component programs for the Medicaid Program. CDSS has the authority to draw down federal funds for the activities that support the IHSS Program and IHSS Employer-Employee Relations Act. Additionally, under the Budget Act of 2014, the Legislature directed CDSS to serve as the fiscal intermediary to draw down matching federal Title XIX funds on behalf of California Department of Human Resources.

IMPLEMENTATION DATE:

This premise will implement on February 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Government Code sections 6531.5 and 110006; W&IC sections 12300.7, 12301, 12302 and 14132.95.
- Title XIX funding for salaries at the California Department of Human Resources is \$366,573 in FY 2014-15 and \$490,612 in FY 2015-16.
- Title XIX funding for staff benefits at the California Department of Human Resources is \$163,003 in FY 2014-15 and \$270,388 in FY 2015-16.
- Title XIX funding for operating expenses at the California Department of Human Resources is \$177,500 in FY 2014-15 and \$220,000 in FY 2015-16.
- Two members will attend quarterly statewide authority meetings. The average cost per member for each meeting is \$550.
- Thirteen members will attend stakeholder advisory committee twice each year in FY 2015-16. The average cost per member for each meeting is \$550.
- Two operator assisted conference lines are needed in FY 2014-15 and six lines in FY 2015-16. The average cost of each line is \$1,000.
- Two meetings will be held in FY 2014-15 and six meetings in FY 2015-16. The average material cost for each meeting is \$200.
- Reasonable accommodation costs are \$2,000 in FY 2014-15 and \$10,000 in FY 2015-16.
- Miscellaneous costs are \$10,000 in both FY 2014-15 and FY 2015-16.
- Research costs are \$10,000 in FY 2015-16.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Statewide Authority*

KEY DATA/ASSUMPTIONS (CONTINUED):

- One county needs mediation or arbitration in FY 2014-15 and five counties in FY 2015-16. The average cost for each county is \$1,250.
- Ten hours is needed for each consultant. The cost per hour is \$150. Three meetings are needed for FY 2014-15 and six meetings in FY 2015-16.
- Each county has three union representatives. It takes 16 hours per year for each union representative.

METHODOLOGY:

The total costs are calculated by adding the Title XIX funds for salaries, staff benefits and operation expenses on behalf of California Department of Human Resources and costs of statewide authority operations and union representatives.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act. Funding for California Department of Human Resources staff costs is 100 percent federal. CDSS receives pass-through reimbursement from DHCS on behalf of the California Department of Human Resources. For the costs of statewide authority operations, the federal share is reflected as a reimbursement, consistent with actual cash flow. Funding for non-federal costs is 100 percent GF due to implementation of the IHSS county MOE. Funding for union representative costs is 100 percent GF. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

CHANGE FROM GOVERNOR’S BUDGET:

The FY 2014-15 and FY 2015-16 increases reflect adding the costs of Statewide Authority operations and union representative activities. In FY 2015-16, the increase is slightly offset by the decrease of California Department of Human Resources staff reimbursement.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects the full year implementation of Statewide Authority operations and union representative activities and increase of California Department of Human Resources staff reimbursement amount.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Statewide Authority	\$732	\$0	\$14	\$0	\$718

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Statewide Authority*

EXPENDITURES (CONTINUED):

(in 000s)

FY 2015-16

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Statewide Authority	\$1,056	\$0	\$40	\$0	\$1,016

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Quality Assurance (QA)*

DESCRIPTION:

This premise reflects the administrative costs of implementing the QA program and associated contract costs. The intent of QA initiative is not only to improve the quality of services and enhance program integrity, but also to detect and prevent program fraud and abuse in the IHSS program. This initiative mandates ongoing staff training for county IHSS workers and requires CDSS to collaborate with DHCS on annual error rate studies and investigations of suspected fraud in the receipt or provision of services.

IMPLEMENTATION DATE:

This premise implemented on December 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 12305.7, 12305.71 and 12301.2.
- The QA procedures result in improved assessments and reassessments after social workers receive training.

County Staff

- There are 220 county QA staffs or additional IHSS social workers working on the QA Initiative in FY 2014-15 and FY 2015-16.
- The annual cost per social worker is \$129,083 in FY 2014-15 and FY 2015-16.

Contracts

- The contract costs include social worker training (\$2,577,368 for FY 2014-15 and \$2,776,140 for FY 2015-16), consumer satisfaction survey (\$183,228 for FY 2014-15) and other miscellaneous activities (\$923,236 for FY 2015-16).

METHODOLOGY:

The estimated costs are calculated by multiplying the number of QA positions by the annual social worker cost and adding the costs of social worker training and associated contracts.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for eligible cases. The federal share is reflected as a reimbursement, consistent with actual cash flow. Funding for non-federal costs is 100 percent GF due to the implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 decrease reflects updated contracts. The FY 2015-16 increase reflects updated contracts.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Quality Assurance (QA)*

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects updated contracts.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
QA	\$31,159	\$0	\$15,642	\$0	\$15,517

FY 2015-16

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
QA	\$32,098	\$0	\$16,113	\$0	\$15,985

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Public Authority Administration*

DESCRIPTION:

This premise reflects Public Authority administrative costs for the IHSS PCSP, IHSS Plus Option, CFCO and non-Title XIX eligible IHSS recipients in the Residual program. The W&IC section 12301 defines the make-up and functions of the Public Authorities. The Public Authorities are the employers of IHSS providers for purposes of collective bargaining over wages, hours and other terms of employment. The IHSS recipients 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 Public Authority to provide for the delivery of IHSS. The Public Authorities are separate entities from the county in which they operate. Employees of Public Authorities shall not be employees of the county for any reason.

The Public Authorities shall, at a minimum, assist recipients in finding IHSS providers through the establishment of a registry, investigate the qualifications and background of potential providers, establish a referral system under which IHSS providers shall be referred to recipients, train providers and recipients and perform other functions related to the delivery of IHSS.

Each Public Authority's rate includes hourly costs for wages, employer taxes, benefits and administrative costs. The Public Authority must submit a rate approval request to CDSS. Once CDSS approves the request, it is submitted to DHCS for final approval. After DHCS approves the rate, the Public Authority 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: W&IC section 12301 and ABX4 1 (Chapter 1, Fourth Extraordinary Session, Statutes of 2009).
- The estimated non-federal shares are held to the Budget Act of 2012 for both FY 2014-15 and FY 2015-16. The federal share is computed based on the updated Title XIX reimbursement rate.

METHODOLOGY:

The estimated cost is computed by dividing the non-federal shares by non-federal share ratio.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for eligible cases. The federal share is reflected as a reimbursement, consistent with actual cash flow. Funding for non-federal costs is 100 percent GF due to implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Public Authority Administration*

CHANGE FROM GOVERNOR’S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Public Authority Administration	\$27,121	\$0	\$13,615	\$0	\$13,506

FY 2015-16

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Public Authority Administration	\$27,121	\$0	\$13,615	\$0	\$13,506

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

Advisory Committees*

DESCRIPTION:

This premise reflects the costs of establishing and operating IHSS advisory committees. The purpose of advisory committees is to submit recommendations to their respective county boards of supervisors on the preferred mode of IHSS service to be utilized in their counties.

The W&IC sections 12301.3, 12301.4 and 12302.25 eliminated the mandate that the state participate in IHSS advisory committees.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000. The elimination of the mandate that the state participate in IHSS advisory committees implemented on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 12300 through 12314.
- All counties have established and operated advisory committees in FY 2014-15 and FY 2015-16.
- The state will participate in \$3,000 GF for each of the 58 counties.

METHODOLOGY:

The estimated GF cost is computed by multiplying \$3,000 by the 58 counties. The total is calculated by dividing the GF amount by the GF percent-to-total.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for eligible cases. Remaining costs are funded 100 percent GF. The federal share is reflected as a reimbursement, consistent with actual cash flow.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Advisory Committees^{*}

EXPENDITURES:

(in 000s)

FY 2014-15

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Advisory Committees	\$347	\$0	\$174	\$0	\$173

FY 2015-16

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Advisory Committees	\$347	\$0	\$174	\$0	\$173

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

County Employer of Record*

DESCRIPTION:

This premise reflects the cost of administrative activities necessary for counties to act as the employer of record for IHSS providers. Counties may choose to act as the employer of record for IHSS Individual Providers to achieve compliance with W&IC sections 12300 through 12314 and 14132.95.

The W&IC sections 12301 and 12302 require any county that is not in compliance with the mandates 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: W&IC sections 12300 through 12314 and 14132.95.
- Alpine and Tuolumne Counties will act as employer of record for both FY 2014-15 and FY 2015-16. Annual costs are projected to be \$182,071 and \$178,500 respectively.

METHODOLOGY:

The estimated costs are the sum of the projected annual costs for each county.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for eligible cases. The federal share is reflected as a reimbursement, consistent with actual cash flow. Funding for non-federal costs is 100 percent GF due to implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

County Employer of Record*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
County Employer of Record	\$361	\$0	\$181	\$0	\$180

FY 2015-16

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
County Employer of Record	\$361	\$0	\$181	\$0	\$180

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Program Integrity – Administrative Activities^{*}

DESCRIPTION:

This premise reflects the administrative costs of various program activities that form part of the IHSS program integrity efforts. These program integrity efforts measure the following: enhancing state and county efforts to prevent fraud; identifying errors and overpayments; pursuing collections; and detecting and referring suspected incidences of fraud in the IHSS program. Savings created by the following program integrity administrative activities are captured in the IHSS Basic services premise.

The county district attorney/activities portion of the premise reflects the costs associated with fraud prevention, detection, referral and investigation and additional program integrity efforts to enhance the IHSS program. Before participating in this fraud program, counties must receive annual approval from CDSS of their proposed fraud plans for using the federal funding to enhance IHSS integrity.

The county investigations portion of the premise reflects the costs associated with 78 county program integrity positions. These positions 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 intended to protect program integrity include: unannounced home visits; directed mailings; the review, analysis and actions related to the review of Criminal Offender Record Information for provider enrollment; facilitation of orientations for new and existing providers, and tracking and reporting fraud data. 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.

The related activities portion of the premise reflects funding for reviewing and processing of Criminal Offender Record Information and Subsequent Arrest Notifications, handling appeals for ineligible providers and mailing to providers. It also reflects funding for mandatory orientation for all providers and other related activities.

The provider exclusions portion of the premise reflects the cost of reviewing and processing individual waivers and general exception requests from providers who have committed a violent or serious felony, as specified in Penal Code section 667.5, subdivision (c) and section 1192.7, subdivision (c). The W&IC sections 12301.6, 12305.86 and 12305.87 established that providers subject to criminal conviction exclusions may request an individual waiver or general exception. An approved individual waiver allows a provider to serve the recipient associated with the individual waiver. A general exception handled through CDSS' CCL allows a provider to provide services for multiple recipients.

IMPLEMENTATION DATE:

The activities included in this premise implemented on November 1, 2009, with the following exceptions: individual waivers and general exceptions to provider exclusions implemented February 1, 2011; program integrity training for social workers implemented in May 2011; and direct mailings and unannounced home visits implemented in FY 2012-13.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 12301.22, 12301.24, 12301.25, 12301.6, 12305.71, 12305.82, 12305.86 and 12305.87.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Program Integrity – Administrative Activities^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

- Seventy-eight county investigators will be conducting program integrity activities at the social worker rate of \$129,083 per year.
- The new providers that will participate in and require the review and processing of Criminal Offender Record Information is 84,353 in FY 2014-15 and 94,509 in FY 2015-16.
- The costs for mandatory orientation to develop and translate revised orientation digital video disc and translating provider orientation are \$133,000. The handout materials costs are \$0.40 per new provider and translation costs for the materials are \$0.70 per provider.
- The total funds that will be utilized at the state level to develop, translate and distribute a digital video disc and accompanying training materials is \$102,000 in FY 2014-15 and FY 2015-16.
- Twenty percent of the total impacted provider universe will have Criminal Offender Record Information that will require ten minutes of social worker time for review. Of the 20 percent of providers, 2.6 percent will have a non-exemptible crime for which eight minutes of social worker time will be needed to generate a notice to the provider.
- Of the total impacted universe of providers, 4.1 percent will have a Subsequent Arrest Notification review that will require ten minutes of social worker time for review. Of the 4.1 percent of providers, 0.2 percent will have a non-exemptible crime for which eight minutes of social worker time will be needed to generate a notice to the provider.
- One hour of social worker time is needed for the review of 4.2 percent of the providers with non-exemptible crimes who will file an appeal.
- Other related activities have an annual cost of \$135,000 GF.
- The postage rate is \$0.47 per notice.
- Three hundred recipients will request individual waivers in FY 2014-15 and FY 2015-16 for providers who have exemptible crimes. It will take 60 minutes for the counties to prepare and send notices and respond to questions for each individual waiver request.
- Sixty providers in FY 2014-15 and FY 2015-16 will have exemptible crimes and request a general exception. It will take five minutes for the counties to send Criminal Offender Record Information to CDSS for each of these providers.

METHODOLOGY:

- The estimated costs for related activities are calculated by adding the total costs associated with mandatory orientations for providers, the review and processing of Criminal Offender Record Information and Subsequent Notification Arrests, provider appeals of terminations and other related activities.
- The assumed number of county investigators is multiplied by the annual social worker rate.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Program Integrity – Administrative Activities^{*}

METHODOLOGY (CONTINUED):

- The estimated costs of processing individual waivers for provider exclusions are calculated by multiplying the number of impacted providers by the cost of social worker time to respond to the requests and adding mailing costs. The estimated cost of processing general exceptions is computed by multiplying the number of impacted providers by the cost of social worker time to respond to the requests.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for eligible cases. The federal share is reflected as a reimbursement, consistent with actual cash flow. Funding for non-federal costs is 100 percent GF due to implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

The costs for processing provider exclusions are ineligible to receive FFP.

CHANGE FROM GOVERNOR’S BUDGET:

The FY 2014-15 and FY 2015-16 decrease reflects a lower existing and new provider count.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects a higher existing and new provider count.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Program Integrity – Administrative Activities	\$39,444	\$0	\$19,809	\$0	\$19,635
	<u>FY 2015-16</u>				
Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Program Integrity – Administrative Activities	\$39,483	\$0	\$19,829	\$0	\$19,654

**Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.*

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Provider Enrollment Statement Form/Process^{*}

DESCRIPTION:

This premise reflects the costs associated with revising the IHSS Provider Enrollment Statement Form (Social Services Programs 426) to bring it into compliance with the requirements of W&IC section 12305.81. The new compliance form indicates that if a person has been convicted of, or incarcerated following a conviction for, certain exclusionary crimes within the past ten years, he/she is not eligible to be enrolled as a provider or to receive payment for providing supportive services.

In accordance with the ruling of the Alameda County Superior Court in the *Beckwith v. Wagner* court case, which challenged the legality of the offenses originally identified as disqualifiers for provider eligibility, only the three of the aforementioned offenses could be used to prevent eligibility of a person as an IHSS provider.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 12305.81.
- The new number of IHSS providers that will be enrolled to provide IHSS basic services and IHSS services under ACA, CCI and FLSA is 84,353 in FY 2014-15 and 94,509 in FY 2015-16.
- The recipients that receive IHSS basic services and IHSS services under ACA, CCI and FLSA are 451,595 in FY 2014-15 and 478,525 in FY 2015-16.
- The social worker unit cost is \$60.55 per hour.
- To comply with statute, the counties will have additional responsibilities for associated tasks, including:
 - Fifteen minutes to mail and verify forms, copy documents/identifications and schedule appointments for new 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:

For each activity, the number of impacted providers or recipients is multiplied by the social worker unit cost and the applicable time per activity.

^{*}Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Provider Enrollment Statement Form/Process^{*}

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for eligible cases. The federal share is reflected as a reimbursement, consistent with actual cash flow. Funding for non-federal costs is 100 percent GF due to implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 decreases reflect a lower projection of newly-enrolled providers and ACA and CCI IHSS recipients.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects the increase of newly-enrolled providers and IHSS recipients that receive IHSS basic services and IHSS services under ACA, CCI and FLSA.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Provider Enrollment Statement Form/Process	\$2,827	\$0	\$1,419	\$0	\$1,408
	 <u>FY 2015-16</u>				
Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Provider Enrollment Statement Form/Process	\$3,084	\$0	\$1,548	\$0	\$1,536

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

IHSS Plus Option - Administration *

DESCRIPTION:

This premise reflects the costs for activities necessary to maintain compliance with Social Security Act section 1915(j) requirements. Implementation of IHSS Plus Option - Administration requires social workers to be trained in the concepts and methods of being support-brokers. The social workers must also complete risk management assessments for all IHSS Plus Option recipients to be able to identify, mitigate and assess risks. The IHSS Plus Option service costs are included under the IHSS Basic services premise.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 14132.952.
- Fifteen minutes of social worker time is needed to complete the initial assessments or reassessments of the risk management process for 11,159 IHSS Plus Option recipients in FY 2014-15 and 11,675 in FY 2015-16.
- The social worker unit cost is \$60.55 per hour.

METHODOLOGY:

The cost for implementing the risk management process is determined by multiplying the amount of social worker time required by the total number of IHSS Plus Option recipients (current and new) and the social worker unit cost for each FY.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for eligible cases. The federal share is reflected as a reimbursement, consistent with actual cash flow. Funding for non-federal costs is 100 percent GF due to implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 decrease reflects the decrease of projected IHSS Plus Option caseloads.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects the increase of IHSS Plus Option caseload.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

IHSS Plus Option - Administration *

EXPENDITURES:

(in 000s)

FY 2014-15

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
IHSS Plus Option – Administration	\$168	\$0	\$84	\$0	\$84

FY 2015-16

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
IHSS Plus Option – Administration	\$176	\$0	\$88	\$0	\$88

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CMIPS Support Contracts^{*}

DESCRIPTION:

This premise reflects the consolidation of all the interagency contract costs related to the CMIPS system.

IMPLEMENTATION DATE:

This premise reflects contract costs anticipated to be paid in FY 2014-15 and FY 2015-16.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 12302.2, 12304.4 and 12317.
- The following contracts are included:
 - The Hewlett Packard Enterprise Services, LLC contract (\$2,350,000 in FY 2014-15) is for processing Conlan II cases and IHSS provider direct deposit.
 - The Client Index Number transaction contract (\$8,307 for both FY 2014-15 and FY 2015-16) is based on the amount of time the CMIPS Legacy system accesses the State Client Index.
 - The SCO contract (\$9,018,948 for FY 2014-15 and \$8,974,087 for FY 2015-16) is for issuing payroll checks to individual provider mode providers on behalf of IHSS recipients. The SCO also issues replacement checks and handles checks returned as undeliverable.
 - The State Treasurer's Office contract (\$579,744 for both FY 2014-15 and FY 2015-16) performs bank reconciliation of IHSS warrants and redeems all valid warrants issued for IHSS providers.
 - The CDPH contract (\$12,332 for both FY 2014-15 and FY 2015-16) shares information pertaining to providers and recipients of IHSS Services.
 - The DHCS interagency agreement (\$50,070 for FY 2014-15 and \$130,393 for FY 2015-16) performs CMIPS II data processing.
 - The EDD contract (\$10 million in both FY 2014-15 and FY 2015-16) is for printing and mailing timesheets and other anticipated costs.
 - The Technology Management Solutions contract (\$136,885 in FY 2014-15 and \$52,700 in FY 2015-16) is for CMIPS II Reports IT Consulting Services.

METHODOLOGY:

The estimated costs for each contract are summed.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for eligible cases. The federal share is reflected as a reimbursement, consistent with actual cash flow. Funding for non-federal costs is 100 percent GF due to implementation of the IHSS county MOE. For more information on the IHSS county MOE, please refer to the IHSS County MOE premise.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

CMIPS Support Contracts*

CHANGE FROM GOVERNOR’S BUDGET:

The FY 2014-15 and FY 2015-16 increases reflect updated contracts.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects updated contracts.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 111 – CMIPS	Total	Federal	State	County	Reimb.
CMIPS Support Contracts	\$22,807	\$0	\$11,449	\$0	\$11,358

FY 2015-16

Item 111 – CMIPS	Total	Federal	State	County	Reimb.
CMIPS Support Contracts	\$19,757	\$0	\$9,918	\$0	\$9,839

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Case Management, Information and Payrolling System (CMIPS) II

DESCRIPTION:

This premise reflects the costs for contracting with the OSI for development, support and implementation of a new and enhanced IHSS CMIPS. This new system replaces the existing 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 launched in pilot counties in July 2012 and became active in all 58 counties in November 2013. The CMIPS II transitioned into the M&O phase effective January 2014.

IMPLEMENTATION DATE:

This premise implemented on April 1, 2008.

KEY DATA/ASSUMPTIONS:

Authorizing statute: W&IC section 12302.2.

METHODOLOGY:

Costs are based on the CMIPS II Special Project Report Number 7, approved in October 2014.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for eligible cases. The nonfederal share is funded 100 percent GF. Costs associated with the Residual Program are funded at 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The increase in FY 2014-15 reflects updated cost due to changes in the implementation of FLSA. There is no change in FY 2015-16.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects the one-time nature of many activities identified in FY 2014-15.

Case Management, Information and Payrolling System (CMIPS) II

EXPENDITURES:

(in 000s)

FY 2014-15

Item 111 – CMIPS	Total	Federal	State	County	Reimb.
CMIPS II	\$81,830	\$0	\$41,365	\$0	\$40,465
CMIPS II FLSA System Changes	36,854	0	18,630	0	18,224
Total	\$118,684	\$0	\$59,995	\$0	\$58,689

FY 2015-16

Item 111 – CMIPS	Total	Federal	State	County	Reimb.
CMIPS II	\$60,681	\$0	\$30,674	\$0	\$30,007
CMIPS II FLSA System Changes	4,036	0	2,040	0	1,996
Total	\$64,717	\$0	\$32,714	\$0	\$32,003

CDSS/OSI PARTNERSHIP	Total	CDSS	OSI
FY 2014-15	\$118,684	\$14,924	\$103,760
FY 2015-16	64,717	14,811	49,906

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalFresh Administration*

DESCRIPTION:

This premise reflects administrative costs for non-assistance CalFresh. Historically, the budget for county administration was based on counties' administrative budget requests made through a PCAB process, modified by a cost containment system consistent with W&IC section 14154. Beginning with FY 2001-02, the PCAB process was suspended and the last PCAB process, FY 2000-01, established the base from which future costs are determined. The base has been adjusted each successive Governor's Budget and May Revision process for caseload changes and other factors (such as staff development costs). This premise has been consolidated to include historical adjustments from the CalFresh Administration Reduction (PL 105-185) and the Non-Assistance CalFresh Reduction.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 14154.
- The non-assistance CalFresh administrative costs base is \$1,492.9 million for FY 2014-15 and \$1,587.5 million for FY 2015-16.
- The non-assistance CalFresh caseload growth projection is 6.3 percent in FY 2014-15 and 5.6 percent in FY 2015-16.
- Staff development costs for non-assistance CalFresh are \$21.8 million for both FY 2014-15 and FY 2015-16, based on calendar year 2014 actual expenditures.
- The SAWS development and testing interface costs for non-assistance CalFresh are approximately \$230,000 for both FY 2014-15 and FY 2015-16.
- The Merced Automated Global Information Control system administrative costs for non-assistance CalFresh are approximately \$97,000 for both FY 2014-15 and FY 2015-16.
- Contract costs for non-assistance CalFresh are \$3.3 million for both FY 2014-15 and FY 2015-16. Savings from legacy system data collection and quality control systems for non-assistance CalFresh are \$3.9 million for both FY 2014-15 and FY 2015-16.
- The Non-Assistance CalFresh Reduction is \$21.0 million for both FY 2014-15 and FY 2015-16 and the CalFresh Administration Reduction shifts \$58.8 million in funding from federal to state funding for both FY 2014-15 and FY 2015-16.
- The FY 2014-15 Nutrition Education funding reimbursement is \$22.4 million. Any unspent balance will be available in the upcoming year.
- The *Be Vu v. Mitchell* funding is \$120,219 in FY 2014-15 and \$126,937 in FY 2015-16.
- The non-assistance CalFresh administration costs are reduced by \$190.7 million in FY 2014-15 and \$201.3 million in FY 2015-16 to remove costs identified in the base caseload trend that are due to the implementation of ACA. These costs are reflected in the CalFresh and CFAP Caseload Impact of the ACA premise.
- The funding in this premise is adjusted to maintain the overall FY 2014-15 funding levels.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalFresh Administration*

METHODOLOGY:

- The non-assistance CalFresh base funding is adjusted for caseload growth, staff development expenditures, SAWS development and implementation, Merced Automated Global Information Control system costs, contract costs and legacy systems savings.
- The base funding is further adjusted for Non-Assistance CalFresh Reduction, CalFresh Administration Reduction shift, the SNAP-Ed reimbursement, *Be Vu v. Mitchell*, other policy impacts that are reflected in trend but still identified in a separate premise and any adjustments to maintain overall funding levels.

FUNDING:

The FY 2014-15 CalFresh Administration costs are funded 44.9 percent SNAP, 39.4 percent GF, 14.1 percent county and 1.6 percent reimbursement. The FY 2014-15 costs maintained for allocation purposes are 45.4 percent SNAP, 40.5 percent GF and 14.1 percent county. The FY 2015-16 CalFresh Administration costs are funded 45.4 percent SNAP, 40.4 percent GF and 14.2 percent county.

CHANGE FROM GOVERNOR’S BUDGET:

The FY 2014-15 increase is primarily due to the actual caseload impact of the ACA being lower than previously projected, resulting in a need to display a higher level of funding in the CalFresh administration premise to maintain the overall FY 2014-15 funding levels. The increase in this premise is not equal to the decrease in the ACA caseload impact premise because of offsetting adjustments in other premises. The FY 2015-16 decrease reflects a slower projected caseload growth and the increased amount of ACA caseload impact costs that are now in trend.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a slower projected caseload growth.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
CalFresh Admin	\$1,609,153	\$723,320	\$635,839	\$227,559	\$22,435
	<u>FY 2015-16</u>				
Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
CalFresh Admin	\$1,475,087	\$669,856	\$595,428	\$209,803	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

County MOE Requirement/County Match Waiver^{*}

DESCRIPTION:

This premise reflects the reduction in funding match for CalFresh administration costs as a result of the County Match Waiver. Historically, counties had been responsible for funding 15 percent of CalFresh administrative costs, including expenditures above the county MOE requirement. However, the unprecedented and unanticipated CalFresh caseload growth associated with the economic decline beginning in FY 2008-09 created substantial fiscal pressures on the counties. To provide fiscal relief, pursuant to W&IC section 18906.55, a county that meets its CalWORKs MOE requirement entirely through expenditures for the administration of the CalFresh program shall receive the full GF allocation, but will not need to pay the county's share of administrative costs above the CalWORKs MOE unless expenditures exceed the GF allocation. Counties are still required to meet the CalWORKs MOE requirements pursuant to W&IC section 15204.4. 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. The Budget Act of 2014 extended the County Match Waiver through FY 2014-15 and requires a four year incremental phase out beginning in FY 2015-16.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: W&IC section 15204.4 and 18906.55.
- Counties will not be required to contribute a county share of cost for CalFresh administrative costs beyond the CalWORKs MOE unless CalFresh county expenditures exceed the CalFresh Administrative GF allocation.
- The County Match Waiver will continue in FY 2014-15. Beginning FY 2015-16, the County Match Waiver will begin phasing out in 25 percent increments. By FY 2018-19, the County Match Waiver will be completely phased out and counties will be required to put in their standard 15 percent share of CalFresh administrative costs to fully access their individual CalFresh administrative GF allocation.
- The statewide county CalWORKs MOE requirement is \$140 million.
- The decrease in the county share of CalFresh administrative costs as a result of the County Match Waiver results in a corresponding decrease in federal matching funds.
- For illustrative purposes, this premise reflects all counties fully utilizing the County Match Waiver flexibility as a non-add budget line.

METHODOLOGY:

The decrease in county funds and federal matching funds for CalFresh administrative services is calculated by taking the difference between what the counties would have been required to pay under the historical CalFresh administrative allocation methodology and how much the counties will pay if they fully utilize the County Match Waiver.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

County MOE Requirement/County Match Waiver *

FUNDING:

The funding is 50 percent SNAP and 50 percent county share.

CHANGE FROM GOVERNOR’S BUDGET:

The increase in FY 2014-15 reflects caseloads from premises with no initial county share of costs, such as Modified Categorical Eligibility, now appearing in trend data. Once these cases enter the caseload trend, they are reflected in the CalFresh Administration premise and a 15 percent county share is applied. The decrease in FY 2015-16 reflects a slower caseload increase than previously projected.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase primarily reflects the County Match Waiver phase-out of 25 percent per year.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
**County MOE Requirement	-\$280,372	-\$140,186	\$0	-\$140,186	\$0

FY 2015-16

Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
**County MOE Requirement	-\$183,040	-\$91,520	\$0	-\$91,520	\$0

**This is a non-add line.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalFresh Employment and Training Program^{*}

DESCRIPTION:

This premise reflects costs for the CalFresh Employment and Training Program, which provides job search assistance, work experience and supportive services to eligible non-assistance CalFresh recipients. The Employment and Training Program opportunities enable recipients to become self-sufficient and reduce their need for food benefits. Some participants are geographically excluded due to reasons such as sparse population, great distances and lack of transportation. Individual county plans are developed to specify the job services, training and supportive services available to participants. Providing an Employment and Training Program is optional for counties.

IMPLEMENTATION DATE:

This premise implemented on April 1, 1987.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 18926.5.
- There are 26 counties participating in the Employment and Training Program in FFY 2014 and 24 counties participating in FFY 2015.
- The total funding in California's CalFresh Employment and Training plan is \$105,726,085 in FFY 2014 and \$117,209,535 in FFY 2015.
- Total funding includes \$1.0 million in FY 2014-15, and \$11,166,788 million in FY 2015-16 for a Fresno County pilot program.
- The FFY 2016 proposed funding is not available at this time; therefore, FY 2015-16 funding reflects CDSS' approved state plan for FFY 2015.
- The enhanced funding reflects the 100 percent federal grant amount of \$7,289,733 in FFY 2014 and \$7,820,767 in FFY 2015.
- The enhanced funding includes worker's compensation costs of \$404,000 in FFY 2014 and \$400,000 in FFY 2015.
- The enhanced funding also includes \$400,000 in annual state operations costs that are not displayed in the local assistance estimate.
- The normal funding reflects CalFresh Employment and Training costs that exceed the amount payable by the 100 percent federal grant, also known as "overmatch" costs, of \$69,999,574 in FFY 2014 and \$75,087,820 in FFY 2015.
- Participant reimbursement funding reflects the transportation and ancillary costs of \$22,854,260 in FFY 2014 and \$23,534,170 in FFY 2015.
- Participant reimbursement funding also reflects dependent care costs of \$32,500 in FFY 2014. There are no dependent care costs in FFY 2015.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

CalFresh Employment and Training Program^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

- The corresponding FY 2014-15 funding represents 25 percent of the total amount approved for FFY 2014 and 75 percent of the total amount approved for FFY 2015 after the costs for state operations are deducted.
- The FY 2015-16 funding represents the total amount approved for FFY 2015 after the costs for state operations are deducted.

METHODOLOGY:

The total costs reflect the federal grant amounts and county costs calculated to state FYs, less state operations costs.

FUNDING:

Enhanced funding is 100 percent federal funds. Normal funding and participant reimbursement costs are shared 50 percent federal and 50 percent county.

CHANGE FROM GOVERNOR'S BUDGET:

The net increase reflects the allocation of \$1.0 million in FY 2014-15 for the Fresno County pilot program and \$11.2 million in FY 2015-16.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects a higher allocation of funds in the FFY 2015 Federal Budget and the remaining funds for the Fresno County pilot program.

EXPENDITURES:

(in 000s)

<u>FY 2014-15</u>					
Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
Enhanced Funding	\$8,288	\$8,288	\$0	\$0	\$0
Normal Funding	73,816	36,908	0	36,908	\$0
Participant Reimbursement	23,622	11,811	0	11,811	\$0
Total	\$105,726	\$57,007	\$0	\$48,719	\$0

<u>FY 2015-16</u>					
Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
Enhanced Funding	\$18,588	\$18,588	\$0	\$0	\$0
Normal Funding	75,088	37,544	0	37,544	\$0
Participant Reimbursement	23,535	11,768	0	11,767	\$0
Total	\$117,211	\$67,900	\$0	\$49,311	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Outreach*

DESCRIPTION:

This premise reflects the funding to execute the CalFresh Outreach Plan. The CalFresh Outreach Plan increases program participation and awareness. The CDSS serves as the oversight agency and operates CalFresh outreach efforts through contracts with other state and local entities.

IMPLEMENTATION DATE:

The CalFresh Outreach Plan implemented on October 1, 2004.

KEY DATA/ASSUMPTIONS:

- Funding is based on a two-year plan approved by FNS.
- The approved federal funding for FFY 2015 is used to estimate the funding for FY 2014-15 and FY 2015-16.

METHODOLOGY:

The cost reflects the approved federal funding for the plan.

FUNDING:

The funding is 100 percent SNAP.

CHANGE FROM GOVERNOR’S BUDGET:

The decrease in FY 2014-15 reflects \$300,000 in funds being redirected to the CalFresh Outreach Automated Reports premise for WCDS-CalWIN and C-IV to produce monthly automated reports for the CalFresh Outreach program.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2014-16 estimate reflects the FFY 2015 grant without subtraction of the one-time automation costs for the CalFresh Outreach Automated Reports premise.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>			
Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
Outreach	\$11,330	\$11,330	\$0	\$0	\$0
		<u>FY 2015-16</u>			
Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
Outreach	\$11,630	\$11,630	\$0	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Nutrition Education*

DESCRIPTION:

The CDSS serves as the SNAP-Ed oversight agency to distribute the federal two year grants. The purpose of these two year grants is to administer nutrition education and physical activity promotion programs targeting CalFresh and CalFresh-eligible populations.

The CDPH/Nutrition Education and Obesity Prevention Branch portion of the premise reflects funding CDSS passes through to CDPH/Nutrition Education and Obesity Prevention Branch. The CDPH/Nutrition Education and Obesity Prevention Branch is a statewide collaboration of public and non-profit agencies. These agencies work together to promote healthy eating and physical activity among CalFresh participants and low-income Californians who are potentially eligible for CalFresh.

The UC-CalFresh portion of the premise reflects funding CDSS passes through to UC-CalFresh. UC-CalFresh provides nutrition education services to CalFresh recipients and low-income Californians who are potentially eligible for CalFresh. Services are primarily provided to schools where at least half the students receive free or reduced-priced meals and to low-income adults in classroom settings.

The CDSS Nutrition Education Projects portion of the premise includes funding for several SNAP-Ed projects targeted at CalFresh participants and low-income Californians who are potentially eligible for CalFresh. These projects include the CWD Local Health Department Expansion for Community Nutrition Pilot, CalFresh Innovative Projects, Get Fresh and CDSS partnerships with the California Department of Aging, Catholic Charities and the California Department of Food and Agriculture.

IMPLEMENTATION DATE:

The CDPH/Nutrition Education and Obesity Prevention Branch implemented on October 1, 1996. UC-CalFresh implemented on January 1, 1995. The CWD Local Health Department Expansion implemented on November 9, 2011. Innovative Projects implemented on March 1, 2012. The California Department of Food and Agriculture project implemented in FFY 2013. The California Department of Aging partnership, Get Fresh and the partnership with Catholic Charities implemented in FFY 2014.

KEY DATA/ASSUMPTIONS:

- The FY 2014-15 funding for SNAP-Ed projects is based on FFY 2015 allocation of \$126,849,658.
- The FY 2015-16 funding is estimated using the FFY 2015 allocation.

METHODOLOGY:

The federal funding received is distributed to the three programs based on agreements between CDSS and the state or local entities.

FUNDING:

The funding is 100 percent SNAP.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Nutrition Education ^{*}

CHANGE FROM GOVERNOR’S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
Nutrition Education	\$126,850	\$126,850	\$0	\$0	\$0

FY 2015-16

Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
Nutrition Education	\$126,850	\$126,850	\$0	\$0	\$0

**Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.*

CalFresh ReFresh Modernization*

DESCRIPTION:

This premise reflects the ongoing CalFresh ReFresh modernization initiatives to waive recertification interviews for elderly and disabled households without earnings and emailing notifications to applicant and recipient households.

These initiatives provide program simplification, remove access barriers, reduce administrative complexity and provide additional linkages among other state assistance programs.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2012.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 18902, 18911(a) and 18925.

Waive Interview at Recertification for Households in Which All Adults are Elderly or Disabled Without Earnings

- The FNS approved a request to waive the recertification interview for non-assistance CalFresh households in which all adults are elderly or disabled without earned income.
- Based on FFY 2013 RADEP data, approximately 6.13 percent of non-assistance CalFresh cases are senior (aged 60 or older) or disabled households with no earned income.
- The non-assistance CalFresh caseload is estimated to be approximately 1,785,075 in FY 2014-15 and 1,884,831 in FY 2015-16.
- The cost of annual recertification is projected to be \$42.14 per case. Implementing the face-to-face waiver would reduce recertification time by approximately 18 minutes for these cases resulting in an administrative savings of \$18.46 per case.
- The impact to CFAP is approximately one percent of non-assistance CalFresh administrative savings.

Electronic Notifications

- The FNS approved waiver requests to issue electronic client notices and requests for information. These waivers allow households to receive notices electronically through a secured automated electronic notification system.
- Electronic notifications allow clients to review time-sensitive requests immediately with fewer security concerns.
- Based on cost estimates from the SAWS Consortia, automation costs associated with emailing notifications to CalFresh households will total \$0.6 million in FY 2014-15.

METHODOLOGY:

- Savings attributed to waiving of interviews during recertification are calculated by multiplying the average monthly caseload by 6.13 percent and then by the savings of \$18.46 per case. The CalFresh savings are multiplied by one percent to determine the CFAP savings.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalFresh ReFresh Modernization*

METHODOLOGY (CONTINUED):

- The cost for programming electronic mailing notifications to clients is based on cost estimates from the SAWS Consortia.

FUNDING:

The CalFresh savings ratio for administrative savings associated with waiving interviews for seniors and the disabled is 50 percent SNAP, 35 percent GF and 15 percent county. The CFAP funding is 100 percent GF.

The automation funding for electronic notifications is 50 percent SNAP, 35 percent GF and 15 percent county.

CHANGE FROM GOVERNOR'S BUDGET:

The slight decrease in administrative savings for waiving interviews in both FY 2014-15 and FY 2015-16 reflects a slower caseload growth than previously projected.

There is no change for electronic notifications.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in the administrative savings for waiving interviews reflects an increase in the projected caseload.

The decrease in electronic notifications is due to automation being completed in FY 2014-15.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 141 – County Administration	Total	Federal	State	County	Reimb.
CalFresh ReFresh Modernization	-\$2,040	-\$1,010	-\$727	-\$303	\$0
CalFresh ReFresh Modernization – Automation	600	300	210	90	0
	<u>FY 2015-16</u>				
Item 141 – County Administration	Total	Federal	State	County	Reimb.
CalFresh ReFresh Modernization	-\$2,154	-\$1,066	-\$768	-\$320	\$0
CalFresh ReFresh Modernization – Automation	0	0	0	0	0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Eliminate Change Reporting^{*}

DESCRIPTION:

This premise reflects the impact of eliminating Change Reporting and streamlining CalFresh reporting to one household reporting system in the ongoing effort to gain administrative simplicity and increased program access in CalFresh. All households would be converted to SAR.

Under QR (California's reporting system prior to SAR), federal rules excluded migrant and seasonal farmworker households, homeless households, and households in which all adults are elderly/disabled from reporting quarterly and required these households to be assigned to Change Reporting. Change Reporting requires households to report changes to certain eligibility factors (e.g., employment, income, residency, etc.) within 10 days of the change. Change Reporting was maintained for these households under California's implementation of SAR. However, federal rules allow states to assign all households to SAR. California is taking advantage of this federal option to create administrative simplicity for CWDs and CalFresh households. Under SAR, households are required to submit one report at six months during the household's certification period and mid-certification period if the household exceeds the Income Reporting Threshold.

IMPLEMENTATION DATE:

Automation programming implements in FY 2014-15 and is assumed to be complete in FY 2015-16. The elimination of Change Reporting will implement on January 1, 2016.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 11265.1, 11265.2, 11265.3 and 18910.
- California transitioned CalFresh cases from Monthly Reporting to QR in November 2003. Federal SNAP regulations mandate that states using QR must exclude certain households from QR requirements: migrant or seasonal farmworkers households, households that have no earned income and in which all adult members are elderly or disabled, households where all members are homeless and Able Bodied Adults Without Dependents subject to the time limit rules. These households remained Change Reporting when CalFresh transitioned from QR to SAR in October 2013.
- Federal Simplified Reporting regulations, (SAR in California) do not require that these households be excluded from SAR.
- The non-assistance CalFresh caseload is estimated to be approximately 1,885,800 in FY 2015-16.
- Based on FFY 2013 RADEP data, 28.6 percent of the CalFresh households are change reporters.
- The elimination of Change Reporting will implement over 12 months at the recipient's recertification month with full implementation in December 2016.
- The CalFresh and CFAP eligibility worker cost is \$58.27 per hour.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Eliminate Change Reporting^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on county time study data collected during October 2005 and November 2005, the amount of time needed to process mid-quarter activities (voluntary and mandatory mid-period reporting and county-initiated contact) is \$28.23 per case.
- The CalWORKs, Non-Assistance CalFresh and CFAP household composition Change Reporting requirements remain the same as required under QR; however, under SAR, counties are required to act on any voluntary CalFresh and CFAP household composition changes resulting in decreased benefits. The number of voluntary household composition change reports received under SAR will remain the same as those received under QR, resulting in no fiscal impact due to SAR implementation.
- Change Reporting requirements resulted in an average of two change reports per year. These reports would no longer be required under SAR, resulting in a savings of \$21.74 per report.
- Based on a 2014 county survey, change reporters often under report income, which often results in over issuances and requires additional administrative time to resolve, increasing error rates and audit risks.
- Approximately 25 percent of cases receive an over issuance at some point in the year and it takes 30 minutes of administrative time to resolve.
- Under SAR, one additional SAR 7 Eligibility Status Report is required. Based on 2005 county time study data, each report costs \$15.25.
- Based on 2005 county time study data, 7.2 percent of the caseload would be subject to mid-period reporting and the cost to process a mid-period report is \$28.23.
- The impact to CFAP is approximately one percent of the CalFresh impact.
- Automation to eliminate Change Reporting and shift cases to the SAR system will be complete in FY 2014-15.
- Mailing costs of \$270,000 are included in FY 2015-16 to inform change reporting households of their transition to SAR.

METHODOLOGY:

- The administrative savings due to the elimination of change reports is calculated by multiplying the monthly impacted cases by the cost of the eligibility worker time required to process the change report.
- The administrative savings resulting from fewer over issuances is calculated by multiplying the monthly impacted cases by 25 percent and then by eligibility worker time required to process the over issuance.
- The total administrative cost resulting from an additional SAR 7 Eligibility Status Report is calculated by multiplying the monthly impacted cases by the cost of eligibility worker time required to process one SAR 7 Eligibility Status Report. Costs resulting from SAR 7 reports will begin in FY 2016-17.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Eliminate Change Reporting^{*}

METHODOLOGY (CONTINUED):

- The total administrative cost resulting from mid-period reporting is calculated by multiplying the monthly impacted cases by 7.2 percent and then by the cost of the eligibility worker time required to process the mid-period report.

FUNDING:

The CalFresh funding ratio for administrative costs is 50 percent SNAP, 35 percent GF and 15 percent county funds. The CFAP funding is 100 percent GF. The automation funding is 50 percent SNAP and 50 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

The decrease in automation costs in FY 2014-15 and increase in FY 2015-16 is due to shifting the majority of automation funding to FY 2015-16 based on update SAWS Consortia cost estimates.

The increase in CalFresh and CFAP savings in FY 2015-16 is primarily due to an increase in the total number of change reporters.

REASON FOR YEAR-TO-YEAR CHANGE:

For CalFresh and CFAP administration savings; this is a new premise. The increase in automation funding reflects a shift of costs from FY 2014-15 to FY 2015-16 based on updated SAWS Consortia cost estimates.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Eliminate Change Reporting	Total	Federal	State	County	Reimb.
Item 141 – CalFresh Administration	\$0	\$0	\$0	\$0	\$0
Item 141 – CFAP Administration	0	0	0	0	0
Item 141 – Automation Updates	50	25	25	0	0
Total	\$50	\$25	\$25	\$0	\$0
	<u>FY 2015-16</u>				
Eliminate Change Reporting	Total	Federal	State	County	Reimb.
Item 141 – CalFresh Administration	-\$11,486	-\$5,743	-\$4,020	-\$1,723	\$0
Item 141 – CFAP Administration	-118	0	-118	0	0
Item 141 – Automation Updates	1,311	655	656	0	0
Total	-\$10,293	-\$5,088	-\$3,482	-\$1,723	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

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County Expense Claim Reporting Information System *

DESCRIPTION:

This premise reflects the replacement of the existing County Expense Claim and CA-800 County Assistance Claim databases into one system. The existing County Expense Claim and CA-800 County Assistance Claim and their supporting business processes have gone beyond their functional capacity and present a significant risk of system failure. The new CECRIS improves data access, analysis and the accuracy of administrative and assistance expenditure data for all 58 counties in California. Automating these processes will also ensure that all costs are reimbursed in accordance with federal cost allocation requirements in order to maintain federal funding.

IMPLEMENTATION DATE:

This premise implemented on February 14, 2012.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC 10604.
- The development of CECRIS began in FY 2011-12 and will be completed in FY 2017-18.
- The total amount of projected funds needed to develop the new system is \$453,000 in FY 2014-15 and \$1,694,000 in FY 2015-16.
- The funded project activities include an interagency agreement with OSI, contracted services for procurement support, organizational change management, software purchase/license, and Statewide Technology Procurement Division procurement facilitation fees and Independent Validation and Verification costs.
- The new system will benefit most of the programs administered by CDSS and a subset of the Medi-Cal Program costs that are claimed through the County Expense Claim.
- CECRIS was suspended in January 2015. The project remains in the initiation and planning phase and has not entered procurement. Development is projected to be complete in FY 2017-18. CDSS is working with the Department of Technology on development, which will resume upon approval of an updated Special Project Report (SPR2).

METHODOLOGY:

The total costs reflect the approved CECRIS Special Project Report, the contracted services for procurement support, the projected cost of the Business Change Management contract and the software development costs.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs SB 1041 Automation *

DESCRIPTION:

This premise reflects the implementation of policy changes reflected in SB 1041 (Chapter 47, Statutes of 2012). SB 1041 redesigned the CalWORKs program by creating a WTW 24-Month Time Clock with the possibility of grant extensions and created a new CalWORKs exemption for a parent or caretaker relative personally providing care to a child from birth through 23 months of age. SB 1041 also restored the \$225 EID and implemented reporting changes for a subset of CalWORKs cases.

IMPLEMENTATION DATE:

This premise implemented in FY 2012-13, and it is projected that automation changes will be completed in FY 2015-16.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 11322.85 through 11322.87.
- This premise reflects automation costs only.
- The FY 2014-15 funding within this premise relates to the 24-Month Time Clock and funding needed to reimburse the SAWS Consortia for work completed for the RAND Study; other program changes were completed in previous fiscal years.

METHODOLOGY:

The total cost is based on cost estimates from the CalWIN, C-IV and the LEADER system (the SAWS Consortia).

FUNDING:

Funding for automation attributed to CalWORKs changes is 100 percent TANF funds.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 increase reflects the funds needed to reimburse the SAWS Consortia for unexpected costs that were a result of extra work needed to collect data due to updated requirements for the RAND Study. The FY 2015-16 increase reflects some of the automation changes that were expected to be completed in FY 2014-15 that will now be completed in FY 2015-16.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to automation changes being completed in FY 2015-16.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs SB 1041 Automation *

EXPENDITURES:

(in 000s)

FY 2014-15

Item 141 – Automation	Total	Federal	State	County	Reimb.
CalWORKs SB 1041 Automation	\$2,278	\$2,278	\$0	\$0	\$0

FY 2015-16

Item 141 – Automation	Total	Federal	State	County	Reimb.
CalWORKs SB 1041 Automation	\$764	\$764	\$0	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

SAWS/CalHEERS Interface Development*

DESCRIPTION:

This premise reflects costs for modifications to the SAWS Consortia systems to establish interfaces between CalHEERS and SAWS. The development of CalHEERS was authorized by the California Health Benefit Exchange under the ACA, PL 111-148. These interfaces are necessary as SAWS is the system of record for case management purposes for all cases determined to be eligible for Modified Adjusted Gross Income Medi-Cal. The interface between CalHEERS and SAWS provides real-time data sharing between the systems, including sharing Medi-Cal eligibility determination results from CalHEERS to SAWS. It also provides the ability to collect and share data elements necessary to perform Medi-Cal case management activities. The approved CalHEERS design requires that modifications be made to SAWS to accommodate successful implementation of the ACA.

IMPLEMENTATION DATE:

This premise implemented modifications to the SAWS Consortia systems beginning in FY 2012-13.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Government Code sections 100502 and 100503 and 42 United States Code section 18031.
- This estimate reflects development, implementation and M&O costs.
- The FY 2014-15 costs include Express Lane automation to make CalFresh individuals Medi-Cal eligible without the need to conduct a separate Modified Adjusted Gross Income determination for the first 12 months.
- The FY 2014-15 costs include enhancements between CalHEERS and SAWS to incorporate more real-time functionality and screening capabilities that are necessary to streamline counties' processing of multi-benefit program applications.
- In FY 2015-16 CalHEERS interface development will be completed and ongoing costs for M&O will transition to the SAWS project budgets.

METHODOLOGY:

Costs are based on the March 2014 as-needed SAWS/CalHEERS Implementation Advance Planning Document Update and subsequent updates from the SAWS Consortia.

FUNDING:

For development and implementation activities related to SAWS staffing, 86 percent of the costs are Title XIX eligible (90 percent federal funds and ten percent GF). The remaining 14 percent is Title XXI eligible (65 percent federal funds and 35 percent GF).

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

SAWS/CalHEERS Interface Development*

FUNDING (CONTINUED):

For development and implementation activities and M&O related to the actual interface, ten percent of the costs are funded by the California Health Benefit Exchange (100 percent federal funds). Seventy-eight percent of the costs are Title XIX eligible (90 percent federal funds and ten percent GF during development and implementation and 75 percent federal funds and 25 percent GF during M&O). The remaining 12 percent is Title XXI eligible (65 percent federal funds and 35 percent GF). With the exception of the GF portion of Title XIX, which is budgeted at CDSS, the remaining funds will be reimbursed to CDSS by DHCS.

Medi-Cal Enhancements due to the ACA are funded by Medi-Cal (90 percent federal funds and ten percent GF).

CHANGE FROM GOVERNOR’S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects the ongoing costs of CalHEERS M&O activities transitioning to the SAWS project budgets.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>			
Item 141 - Automation	Total	Federal	State	County	Reimb.
SAWS/CalHEERS Interface Development	\$26,782	\$0	\$2,607	\$0	\$24,175
		<u>FY 2015-16</u>			
Item 141 - Automation	Total	Federal	State	County	Reimb.
SAWS/CalHEERS Interface Development	\$0	\$0	\$0	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

SAWS Customer Service Centers Expansion*

DESCRIPTION:

This premise reflects the cost for expansion of CWD customer service centers under the three SAWS Consortia to provide increased services for Medi-Cal eligibility and enrollment. These expansions will leverage the current county call center infrastructure to interface with Covered California/CalHEERS centralized customer service centers. This will fulfill requirements of the Patient Protection and ACA, PL 111-148, including the ability to transfer potentially Medi-Cal-eligible clients' enrollment and eligibility information from Covered California to the SAWS Consortia/counties. The OSI provides state-level project management for SAWS. Costs for staff planning, implementation and training activities are provided through DHCS.

IMPLEMENTATION DATE:

This premise implemented in June 2013.

KEY DATA/ASSUMPTIONS:

- Funding for the SAWS Consortia's support of the Covered California centralized service center model is not included in the California Health Benefit Exchange/CalHEERS Implementation Advanced Planning Document.
- The scope of the expansion will consist of development, implementation and M&O, although this premise only includes the development and implementation costs. The M&O costs will be included in the SAWS Consortia budgets.

METHODOLOGY:

The total costs reflect expansion costs of CWD customer service centers for all three SAWS Consortia and their counties.

FUNDING:

Funding for the expansion cost is 90 percent federal funds and ten percent GF during development and implementation.

CHANGE FROM GOVERNOR'S BUDGET:

The decrease reflects a shift of funding from FY 2014-15 to FY 2015-16.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a portion of the development and implementation funding shifting from FY 2014-15 to FY 2015-16.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

SAWS Customer Service Centers Expansion^{*}

EXPENDITURES:

(in 000s)

FY 2014-15

Item 141 - Automation Projects	Total	Federal	State	County	Reimb.
SAWS Customer Service Centers	\$3,800	\$0	\$380	\$0	\$3,420

FY 2015-16

Item 141 - Automation Projects	Total	Federal	State	County	Reimb.
SAWS Customer Service Centers	\$1,376	\$0	\$138	\$0	\$1,238

CDSS/OSI PARTNERSHIP	Total	CDSS	OSI
FY 2014-15	\$3,800	\$3,800	\$0
FY 2015-16	\$1,376	\$1,376	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

CalFresh Outreach Automated Reports^{*}

DESCRIPTION:

This premise reflects the costs for SAWS consortia to produce monthly, automated reports for the CalFresh Outreach program. The reports are the result of a CDSS effort to monitor contract compliance and program deliverables for the CalFresh Outreach program. Funding for this reporting was approved by FNS and included in the FY 2014-15 budget for CalFresh Outreach.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2015.

KEY DATA/ASSUMPTIONS:

- Funding is based on a one-time funding shift from the CalFresh Outreach Program in FY 2014-15 to cover the report costs for FY 2014-15 and FY 2015-16.
- In FY 2014-15, 57 percent of the total funding for the automated reports is apportioned to C-IV. The remaining 43 percent of the funding is apportioned to WCDS-CalWIN in FY 2015-16. No funding is needed for LEADER to produce the reports.

METHODOLOGY:

The cost reflects the approved federal funding for the CalFresh Outreach Automated Reports based on cost estimates provided by each consortium.

FUNDING:

The funding is 100 percent SNAP.

CHANGE FROM GOVERNOR’S BUDGET:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
CalFresh Outreach Automated Reports	\$170	\$170	\$0	\$0	\$0
	<u>FY 2015-16</u>				
Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
CalFresh Outreach Automated Reports	\$130	\$130	\$0	\$0	\$0

**Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.*

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Horizontal Integration*

DESCRIPTION:

This premise will fund the SAWS Consortia for the necessary programming changes to allow individuals transferred from the Covered California health application to complete a streamlined application for CalFresh and CalWORKs through the SAWS online system portals.

IMPLEMENTATION DATE:

This premise will implement in June 2016.

KEY DATA/ASSUMPTIONS:

- Covered California and DHCS are utilizing a Change Request for the CalHEERS system to make necessary changes to:
 - Screen applicants after completion of their health application for potential eligibility for CalFresh and CalWORKs.
 - Present a screen for the applicants based on the screening results that either passively offers the option to apply for other social service programs, or actively encourages them to complete the application process.
 - Applicants who select the option to apply will be transferred to www.benefitscal.com where they can select their county and immediately move forward with their CalFresh or CalWORKs application on the spot through the SAWS Consortia.
- The ACA requires that individuals using the streamlined application will not need to provide additional information unless required to apply for additional programs. The cost includes functionality that would allow questions to be “dynamically” displayed to the customer to meet the requirement that they are only providing information for the specific programs for which they chose to apply. Adding dynamic questioning will provide a consistent consumer experience across all counties. LEADER and WCDS-CalWIN already have the dynamic questioning functionality. The cost for this functionality is included for C-IV.
- This proposal is tracked on the 24-Month Roadmap for completion in June of 2016. Horizontal Integration funding, however, is separately identified and not included in the SAWS requests for funding through each consortium project.

METHODOLOGY:

The total costs reflect the SAWS Consortia programming efforts to complete a streamlined application for CalFresh and CalWORKs from the CalHEERS system.

FUNDING:

The funding comes from CalFresh and CalWORKs programs and is determined by the sharing ratios of each benefitting program. Based on the cost allocation plan, the federal share of the CalWORKs program is funded entirely by the TANF Program Block Grant. The SAWS-related TANF funds are identified in the TANF detail table in the “Additional TANF/MOE Expenditures in CDSS” section.

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

Horizontal Integration*

CHANGE FROM GOVERNOR’S BUDGET:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
Horizontal Integration	\$0	\$0	\$0	\$0	\$0

FY 2015-16

Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
Horizontal Integration	\$3,021	\$1,810	\$1,211	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

SB 1341 Automation*

DESCRIPTION:

This premise reflects the one-time costs of automation required to allow the SAWS Consortia to be the system of record for Medi-Cal and contain all Medi-Cal eligibility rules and case management functionality. This automation will allow SAWS to generate NOAs for households with Medi-Cal-only or households with combined Medi-Cal and Applied Income Premium Tax Credit programs. Integrating additional programming into SAWS will allow county Medi-Cal eligibility staff to reject and correct erroneous CalHEERS eligibility decisions. This will ensure that beneficiaries are correctly notified of actions taken on their public assistance applications and/or cases. This will result in a greater ease-of-use for recipients and less administrative burden on counties.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2016.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: W&IC section 10823.
- Development/modification of notice-generation functionality within SAWS and CalHEERS is anticipated to occur in two phases:
 - Phase I - Notice generation of Modified Adjusted Gross Income Medi-Cal Notices in SAWS:
 - Obtain and interpret Modified Adjusted Gross Income Medi-Cal eligibility determination result/reason codes from CalHEERS
 - Generate and send Modified Adjusted Gross Income Medi-Cal notices
 - Anticipated to be complete January 2016
 - Phase II - Notice generation of Mixed Household Notices in SAWS:
 - Obtain and interpret MAGI Medi-Cal and Applied Income Premium Tax Credit eligibility determination result/reason codes from CalHEERS
 - Generate and send notices for mixed households receiving a combination of Modified Adjusted Gross Income Medi-Cal, non- Modified Adjusted Gross Income Medi-Cal, and/or Applied Income Premium Tax Credit subsidies
 - Anticipated to be complete June 2017
- Cost reflects \$2.95 million in automation costs to C-IV, \$2.21 million to WCDS-CalWIN, \$1.47 million to LEADER, and \$2.17 million to LRS in FY 2015-16.

METHODOLOGY:

Costs provided for each consortium's programming effort to function as the system of record for Medi-Cal and to program NOAs for Medi-Cal into their systems.

FUNDING:

The funding is 50 percent GF and 50 percent reimbursements.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

SB 1341 Automation*

CHANGE FROM GOVERNOR’S BUDGET:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 141 – Automation Updates	Total	Federal	State	County	Reimb.
SB 1341 Automation	\$0	\$0	\$0	\$0	\$0

FY 2015-16

Item 141 – Automation Updates	Total	Federal	State	County	Reimb.
SB 1341 Automation	\$8,805	\$0	\$4,402	\$0	\$4,403

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Income Eligibility Verification System (IEVS) Automation*

DESCRIPTION:

This premise reflects costs to research off-the-shelf systems that could be used for enhancements to IEVS, which is used to verify eligibility for individuals receiving aid and reduce the incidence of fraud in CalWORKs and CalFresh. The current paper intensive process requires significant time to manually review reports, resulting in high administrative workload. The enhancements fully automate the match process used by CWDs to identify potential changes in eligibility for benefits and addresses the administrative burden and confidentiality concerns with the current IEVS match process. The IEVS automation enhances current processes and reduces the time needed to review reports and reduces the risk of incurring larger overpayments. Security risks are also reduced as a result of the automation. Additionally, the automation enables CDSS to collect and analyze data to establish performance measurements to help evaluate the effectiveness of the IEVS processes.

IMPLEMENTATION DATE:

This premise implemented in FY 2013-14.

KEY DATA/ASSUMPTIONS:

- The upfront planning of the IEVS enhancements is \$50,000 in FY 2014-15 and FY 2015-16.
- CDSS plans to circulate a request for information to research the vendor community for off-the-shelf systems that may be useful for the IEVS enhancements.
- The IEVS project is a current IT Capital Plan item with a previously approved IT Capital Plan concept.
- The IT system changes and associated costs necessary for the IEVS enhancements are identified through a gap analysis comparing the as-is and to-be functionalities.

METHODOLOGY:

The total cost is the held amount for upfront planning of the IEVS enhancements.

FUNDING:

This program is funded 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Income Eligibility Verification System (IEVS) Automation*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 141 – Automation	Total	Federal	State	County	Reimb.
IEVS Automation	\$50	\$0	\$50	\$0	\$0

FY 2015-16

Item 141 – Automation	Total	Federal	State	County	Reimb.
IEVS Automation	\$50	\$0	\$50	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Statewide Automated Welfare System (SAWS)*

DESCRIPTION:

This premise reflects costs for SAWS Statewide Project Management and the SAWS Consortia projects. The Consortia includes LEADER, WCDS-CalWIN and C-IV, which are managed by OSI. The LEADER only supports the Los Angeles CWD; the WCDS-CalWIN system supports 18 counties and the C-IV system supports 39 counties.

IMPLEMENTATION DATE:

The Statewide Project Management implemented on July 1, 1995. The LEADER implemented on July 1, 1994. The WCDS-CalWIN implemented on July 1, 1997. The C-IV implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 10823(a)
- The SAWS premise includes costs in FY 2015-16 for the Insurance Affordability Programs 24-Month Roadmap project, whose objectives are to balance DHCS, Covered California, and county priorities and balance the capacity of automation partners (CalHEERS, SAWS, and MEDS). Cost estimates are based on an analysis of the work completed in FY 2014-15 and the workload currently identified for inclusion on the 24-Month Roadmap.

Statewide Project Management

- The Implementation Advance Planning Document Update occurred in December 2001 and was revised in May 2002.

LEADER

- The LEADER estimate reflects ongoing M&O costs.
- The county extended its contract in May 2007 to continue M&O services until the system designated to replace LEADER is implemented.
- A post-implementation evaluation report was approved in November 2006.
- The Implementation Advance Planning Document Update occurred in June 2014.
- The FY 2015-16 estimate includes \$4.4 million for LEADER to support change requests identified on the 24-Month Roadmap.

WCDS-CalWIN

- The WCDS-CalWIN estimate reflects ongoing M&O costs.
- A post-implementation evaluation report was approved in August 2008.
- The implementation advance planning document update occurred in June 2014.
- A post-implementation evaluation report was approved in August 2008.
- The FY 2015-16 estimate includes \$7.0 million for WCDS-CalWIN to support change requests identified on the 24-Month Roadmap.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Statewide Automated Welfare System (SAWS)*

KEY DATA/ASSUMPTIONS (CONTINUED):

C-IV

- The C-IV estimate reflects ongoing M&O costs.
- The Implementation Advance Planning Document Update occurred in June 2014.
- The FY 2015-16 estimate includes \$3.3 million for C-IV to support change requests identified on the 24-Month Roadmap.

METHODOLOGY:

Costs are based on the Implementation Advance Planning Document Update and subsequent baseline adjustments.

FUNDING:

Funding for Statewide Project Management and the SAWS Consortia comes from various sources, which is determined by the sharing ratios of the benefitting programs. Federal funds include the standard shares of SNAP, Title IV-E and Refugee Resettlement Program funding. The Medi-Cal costs are eligible for Title XIX federal funding, which is disbursed through DHCS' budget. Based on the cost allocation plan, the federal share of the CalWORKs program is funded entirely by the TANF program block grant. The non-federal funding is GF and the county share of the CalFresh, FC and General Assistance costs. The SAWS-related TANF funds are identified in the TANF Detail Table in the "Additional TANF/MOE Expenditures in CDSS" section.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change to Statewide Project Management.

There is no change to LEADER in FY 2014-15. The decrease to in FY 2015-16 reflects updated allocation of costs to benefitting programs, and is partially offset by the additional funding needed to support change requests identified on the 24-Month Roadmap.

The decrease to WCDS-CalWIN in FY 2014-15 and increase in FY 2015-16 reflect updated allocation of costs to benefitting programs. In addition, increased funding is requested in FY 2015-16 due to the inclusion of the 24-Month Roadmap.

The decrease to C-IV in FY 2014-15 and increase in FY 2015-16 reflect updated allocation of costs to benefitting programs. Although there is an overall decrease in FY 2014-15 due to a shift in LRS joint development and migration planning from FY 2014-15 to FY 2015-16; there is an increase in the M&O budget due to the additional funding needed to support change requests identified on the 24-Month Roadmap.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Statewide Automated Welfare System (SAWS)*

REASON FOR YEAR-TO-YEAR CHANGE:

SPM

The increase reflects baseline adjustments for retirement and employee compensation.

LEADER

The increase reflects updated CalHEERS estimates, including a full year of the CalHEERS interface M&O costs. Although the overall project cost increases in FY 2015-16 due to change requests identified on the 24-Month Roadmap, there is a decrease in the portion reflected in CDSS' budget. The increase in Medi-Cal program costs will be reflected in the DHCS' budget.

WCDS-CalWIN

There is an increase in FY 2015-16 due to additional M&O requirements in the project contract. In addition, an increase in FY 2015-16 is due change requests identified on the 24-Month Roadmap, which include a full year of the CalHEERS interface M&O costs. There are also increases in FY 2015-16 due to a shift in the deliverable payment schedule from FY 2014-15 to FY 2015-16 and the inclusion of Approved Relative Caregiver automation costs.

C-IV

The increase reflects the inclusion of costs for the LRS/C-IV pre-migration and Approved Relative Caregiver automation funding. In addition, there is a shift from LRS joint development and migration planning in FY 2014-15 to FY 2015-16. There is also an increase in FY 2015-16 due to change requests identified on the 24-Month Roadmap, including a full year of the CalHEERS interface M&O costs.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>			
Item 141 - Automation	Total	Federal	State	County	Reimb.
SPM	\$6,871	\$2,094	\$3,109	\$0	\$1,668
LEADER	15,830	9,017	4,086	2,727	0
WCDS-CalWIN	108,788	29,269	42,018	6,924	30,577
C-IV	91,809	25,617	33,364	5,197	27,631

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Statewide Automated Welfare System (SAWS)*

EXPENDITURES (CONTINUED):

(in 000s)

Item 141 - Automation	Total	FY 2015-16			Reimb.
		Federal	State	County	
SPM	\$6,875	\$1,854	\$3,156	\$0	\$1,865
LEADER	14,382	8,132	3,772	2,478	0
WCDS-CalWIN	118,182	27,344	45,247	6,180	39,411
C-IV	102,528	26,032	37,309	5,111	34,076

CDSS/OSI PARTNERSHIP ¹	Total	CDSS	OSI
FY 2014-15	\$223,298	\$216,427	\$6,871
FY 2015-16	241,967	235,092	6,875

¹ The CDSS share reflects costs for the SAWS Consortia and the OSI share reflects SPM costs.

Welfare Data Tracking Implementation Project (WDTIP)*

DESCRIPTION:

This premise reflects costs for the SAWS WDTIP. The WDTIP provides counties with the automated functionality required to conform to statewide tracking of time-on-aid requirements mandated by welfare reform in AB 1542 (Chapter 270, Statutes of 1997). Project management for WDTIP is provided by OSI.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11454.5(b)(4).
- A post-implementation evaluation report was approved August 2008.

METHODOLOGY:

Costs are based on the January 2003 SAWS WDTIP Implementation Advance Planning Document Update and subsequent baseline adjustments.

FUNDING:

The SAWS WDTIP funding is 100 percent TANF/CalWORKs Program Block Grant. The SAWS related TANF funds are identified in the TANF detail table in the “Additional TANF/MOE Expenditures in CDSS” section.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects baseline budget adjustments.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 141 – Automation	Total	Federal	State	County	Reimb.
WDTIP	\$4,044	\$4,044	\$0	\$0	\$0
Item 141 – Automation	<u>FY 2015-16</u>				
WDTIP	Total	Federal	State	County	Reimb.
	\$4,045	\$4,045	\$0	\$0	\$0

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

Welfare Data Tracking Implementation Project (WDTIP)*

EXPENDITURES (CONTINUED):

(in 000s)

CDSS/OSI PARTNERSHIP	Total	CDSS	OSI
FY 2014-15	\$4,044	\$2,252	\$1,792
FY 2015-16	4,045	2,252	1,793

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

LEADER Replacement System (LRS)*

DESCRIPTION:

This premise reflects costs for the LRS project. The LEADER consortium is one of three county consortia within the SAWS project and is composed solely of Los Angeles County. The OSI provides state-level project management for SAWS. The LRS project currently includes the design, development and implementation activities for a system to replace LEADER.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 10823(a).
- This premise implemented as a separate LEADER premise on July 1, 2007.
- Planning activities for the LRS project began in July 2005.
- The evaluation and selection process concluded in July 2009.
- Contract negotiations concluded in May 2010.
- Contract execution and design, development and implementation activities began in November 2012.
- The LRS premise includes \$5.5 million in FY 2015-16 for the Insurance Affordability Programs 24-Month Roadmap project, whose objectives are to balance DHCS, Covered California, and county priorities and balance the capacity of automation partners (CalHEERs, SAWS and MEDS). Cost estimates are based on an analysis of the work completed in FY 2014-15 and the workload currently identified for inclusion on the 24-Month Roadmap.

METHODOLOGY:

Costs are calculated based on the timeframes outlined in the February 2013 SAWS LRS Implementation Advance Planning Document Update/Special Project Report 6.

FUNDING:

The LRS funding comes from various sources, determined by the sharing ratios of the benefitting programs. Federal funds include the standard shares of the SNAP and Refugee Assistance Program funding. Medi-Cal costs are eligible for Title XIX federal funding, which is disbursed through the DHCS budget. These costs are also eligible for an enhanced FMAP funding and cost allocation relief. This FFP funding provides Medicaid (known as Medi-Cal in California) technology investments, including eligibility systems, through a 90 percent federal/ten percent GF match for design, development and implementation work through December 2015.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

LEADER Replacement System (LRS)*

FUNDING (CONTINUED):

In addition, federal guidance provides for cost allocation relief for other programs utilizing system functionality developed for Medi-Cal. Based on the cost allocation plan, the federal share of the CalWORKs program is funded entirely by the TANF program block grant. The balance of the funding is GF and the county share of CalFresh, FC and General Assistance/General Relief costs. The SAWS-related TANF funds are identified in the TANF detail table in the "Additional TANF/MOE Expenditures in CDSS" section.

CHANGE FROM GOVERNOR'S BUDGET:

The decrease in FY 2014-15 and increase in FY 2015-16 reflect updated priorities due to the 24-Month Roadmap. The allocation of costs to benefitting programs has been updated for FY 2015-16. In addition, increased funding is requested in FY 2015-16 due to updated CalHEERS estimates and the inclusion of Approved Relative Caregiver Funding Option Program costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects updated CalHEERS estimates, including a full year of the CalHEERS Interface M&O costs. In addition, there are increases in FY 2015-16 due to a shift in the deliverable payment schedule from FY 2014-15 to FY 2015-16 and the inclusion of Approved Relative Caregiver Funding Option Program costs.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>			
Item 141 - Automation	Total	Federal	State	County	Reimb.
LRS	\$96,046	\$25	\$10,304	\$4,341	\$81,376
		<u>FY 2015-16</u>			
Item 141 - Automation	Total	Federal	State	County	Reimb.
LRS	\$103,573	\$13,136	\$24,341	\$6,034	\$60,062
		CDSS	OSI		
CDSS/OSI PARTNERSHIP	Total				
FY 2014-15	\$96,046	\$95,117	\$929		
FY 2015-16	\$103,573	\$102,726	\$847		

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Consortium IV (C-IV) Migration *

DESCRIPTION:

This premise reflects planning costs associated with C-IV Migration. The tasks associated with these costs may include, but are not limited to: identifying services required by each of the C-IV counties for successful migration to the LRS, defining and documenting all requirements for the services and conducting governance planning activities. The C-IV is one of three consortia within the SAWS project. The OSI provides state-level project management for the SAWS Consortia.

Both the State Strategy for Eligibility Systems and amendment to W&IC 10823(a)(4) dictate the migration of the 39 C-IV counties into one system jointly designed by the C-IV counties and Los Angeles County under the LRS contract. This migration will result in a new consortium to replace the LEADER and C-IV consortia. Reducing the number of systems will decrease M&O costs, assist in standardizing the state's health and human services operations at the county level and reduce the complexity of the eligibility system configuration in California.

IMPLEMENTATION DATE:

This premise implemented in FY 2013-14.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 10823(a)(4).
- Costs are those associated with planning the migration effort.

METHODOLOGY:

The total costs are based on state experience with previous planning efforts for similar projects, including the Interim SAWS migration project, which consolidated the 35 former Interim SAWS counties into the C-IV system.

FUNDING:

Federal funds include the standard shares of the SNAP and Refugee Resettlement Program funding. Medi-Cal costs are eligible for Title XIX federal funding, which is disbursed through the DHCS budget. Based on the cost allocation plan, the federal share of the CalWORKs program is funded entirely by the TANF program block grant. The non-federal funding is GF. The SAWS-related TANF funds are identified in the TANF detail table in the "Additional TANF/MOE Expenditures in CDSS" section.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects the discontinuation of the premise in FY 2015-16, as further pre-migration activities will be included in the C-IV Project budget.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Consortium IV (C-IV) Migration *

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>			
Item 141- Automation	Total	Federal	State	County	Reimb.
C-IV Migration	\$478	\$157	\$186	\$31	\$104
		<u>FY 2015-16</u>			
Item 141- Automation	Total	Federal	State	County	Reimb.
C-IV Migration	\$0	\$0	\$0	\$0	\$0
		Total	CDSS	OSI	
CDSS/OSI PARTNERSHIP					
FY 2014-15	\$478	\$478	\$0		
FY 2015-16	\$0	\$0	\$0		

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Statewide Fingerprint Imaging System (SFIS) Project*

DESCRIPTION:

This premise reflects the costs for the SFIS project. The W&IC section 10830 requires applicants and recipients of CalWORKs benefits to provide fingerprint images 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 AU consisting of the woman only. Failure to provide the required images will result in ineligibility for the entire AU.

The counties have the option to image applicants for county General Assistance or General Relief.

IMPLEMENTATION DATE:

Counties began implementation on March 14, 2000. The statewide implementation of SFIS was completed on December 7, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 10830.
- The FFP for CalWORKs was secured beginning in September 2009.
- The OSI cost estimates are based on the executed contract with the SFIS development contractor. Cost estimates are based on the following:
 - M&O vendor – The M&O vendor contract estimate is based on structured monthly M&O costs for state and county-operated workstations. This cost includes: vendor project staff; help desk; fingerprint examiners; system operators; lease/maintenance costs for host computer(s) (i.e., central site) and software development and maintenance.
 - 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.

METHODOLOGY:

The estimated costs are based on the executed contract for ongoing M&O services.

FUNDING:

The M&O automation project costs are funded with TANF and the General Assistance/General Relief costs are 100 percent county.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Statewide Fingerprint Imaging System (SFIS) Project*

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects baseline budget adjustments.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>			
Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
SFIS	\$12,279	\$10,806	\$0	\$1,473	\$0
		<u>FY 2015-16</u>			
Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
SFIS	\$12,280	\$10,759	\$0	\$1,521	\$0
CDSS/OSI PARTNERSHIP	Total	CDSS	OSI		
FY 2014-15	\$12,279	\$3,420	\$8,859		
FY 2015-16	\$12,280	\$3,420	\$8,860		

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Electronic Benefit Transfer (EBT) Project^{*}

DESCRIPTION:

This premise reflects the costs for the California EBT Project, which is responsible for the automated issuance, delivery, redemption, settlement and reconciliation of California's food and cash aid program benefits. The California EBT system provides recipients 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 FY 2005-06.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 10069.
- The benefiting programs under the EBT Project include the CalWORKs Program, CalFresh, CFAP, RCA, LIHEAP/SUAS, CAPI and General Assistance/General Relief.

METHODOLOGY:

Cost projections are based on the November 2007 EBT Implementation Advance Planning Document and Amendment Number 1 of the Xerox State & Local Solutions, Inc. contract, which was executed on May 19, 2010.

FUNDING:

The EBT Project is funded with federal SNAP and TANF program funds. Federal funds, GF and county funds are provided for CalFresh. Based on the cost allocation plan for the project, the federal share of the CalWORKs program is 100 percent TANF-eligible. Project-related TANF funds are identified in the TANF detail table in the "Additional TANF/ MOE Expenditures in CDSS" section. The SUAS/LIHEAP funding is GF.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects baseline budget adjustments and caseload increase.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Electronic Benefit Transfer (EBT) Project*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
EBT Project	\$30,686	\$18,074	\$8,961	\$3,651	\$0

FY 2015-16

Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
EBT Project	\$32,101	\$18,906	\$9,330	\$3,865	\$0

CDSS/OSI PARTNERSHIP	Total	CDSS	OSI
FY 2014-15	\$30,686	\$10	\$30,676
FY 2015-16	\$32,101	\$0	\$32,101

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

EBT Project – EBT 3 Transition and Development^{*}

DESCRIPTION:

This premise reflects the costs associated with the EBT Project transition to a new EBT Service Provider (known as EBT 3). The EBT automates the issuance, delivery, redemption, settlement and reconciliation of California's food and cash assistance program benefits.

A new EBT Services Contract must be in place prior to March 27, 2018, the expiration of the current contract. The EBT 3 Request for Proposal is scheduled for release in the spring of 2015 and a new EBT Services Contract will be awarded by fall of 2015. The transition to the new California EBT system and other EBT-related services is scheduled to start in early 2016 (upon execution of the new contract) and be completed no later than October 2017.

The upcoming EBT vendor procurement will be a joint effort with CDPH, who is federally required to transition the Women, Infants and Children Program food benefits from the current paper-based issuance to an automated EBT solution by October 1, 2020. The CDPH is contracting with OSI for EBT transaction processing and cardholder services. CDSS will serve as the EBT Program Sponsor. The Women, Infants and Children EBT implementation, which includes both the implementation of CDPH's replacement Women, Infants and Children management information system and the California EBT system, will be managed on a separate, but parallel track.

This premise requests funds and resources for only the EBT 3 food and cash transition effort, which includes a dedicated Transition Team (consultant resources) and one-time transition costs (paid to the new EBT Service Provider). The CDPH is responsible for securing the federal funding and resources for the Women, Infants and Children EBT implementation component.

IMPLEMENTATION DATE:

This premise implements in FY 2015-16.

KEY DATA/ASSUMPTIONS:

Authorizing statute: W&IC section 10069.

METHODOLOGY:

Cost projections are based on the March 2014 Feasibility Study Report Reporting Exemption Request. Cost projections will be updated after the EBT 3 Intent to Award is announced.

FUNDING:

The EBT 3 Project is funded with federal SNAP and TANF program funds. Federal funds and GF are provided for CalFresh. Based on the cost allocation plan for the project, the federal share of the CalWORKs Program is 100 percent TANF-eligible. Project-related TANF funds are identified under the "Additional TANF/ MOE Expenditures in CDSS" section of the TANF detail table.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

EBT Project – EBT 3 Transition and Development^{*}

CHANGE FROM GOVERNOR’S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The costs in FY 2015-16 reflect six months of consultant costs and one milestone payment to the new EBT Services Provider.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>			
Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
EBT 3 Project	\$0	\$0	\$0	\$0	\$0
		<u>FY 2015-16</u>			
Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
EBT 3 Project	\$1,729	\$1,032	\$697	\$0	\$0
		CDSS	OSI		
CDSS/OSI PARTNERSHIP	Total				
FY 2014-15	\$0	\$0	\$0		
FY 2015-16	\$1,729	\$144	\$1,585		

**Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.*

State Hearings Division Appeals Case Management System*

DESCRIPTION:

This premise reflects costs for a new Appeals Case Management System to replace the current compilation of mainframe database and ad-hoc applications which support the State Hearings process. A new Appeals Case Management System is essential to reduce processing errors, reduce case-processing time at the division and county levels and reduce state-paid penalties based upon the current State Hearings Division workload. The new system will also help mitigate penalties for untimely processing of appeal hearings.

IMPLEMENTATION DATE:

This premise implemented July 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 10950.
- Costs consist of IT project contract services costs and personnel costs for support staff at OSI.
- The IT project contract services costs include software license, software customization services, and other contract services.

METHODOLOGY:

Project contract costs are consistent with the Feasibility Study Report, which was approved by the California Department of Technology on January 10, 2014.

FUNDING:

The Appeals Case Management Systems funding comes from various resources determined by the sharing ratios of the benefiting programs. Federal funds include the standard shares of the TANF/CalWORKs and CalFresh SNAP funding. Medi-Cal and IHSS costs are eligible for Title XIX federal funding, which is disbursed through the DHCS budget. The Appeals Case Management Systems-related TANF funds are identified in the TANF detail table in the "Additional TANF/MOE Expenditures in CDSS" section.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 decrease reflects shifting software customization costs to possibly FY 2016-17. There is no change in total fund in FY 2015-16. The decrease in GF reflects updated sharing ratio.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2015-16 increase reflects baseline budget adjustments.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

State Hearings Division Appeals Case Management System*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
State Hearings Div. Appeals Case Mgmt System (ACMS)	\$1,142	\$272	\$410	\$0	\$460
**ACMS – TANF	150	150	0	0	0

FY 2015-16

Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
State Hearings Div. Appeals Case Mgmt System (ACMS)	\$3,871	\$921	\$1,390	\$0	\$1,560
**ACMS – TANF	507	507	0	0	0

**This is a non-add line.

CDSS/OSI PARTNERSHIP	Total	CDSS	OSI
FY 2014-15	\$1,142	\$110	\$1,032
FY 2015-16	3,871	389	3,482

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

State Contracts County Reimbursement*

DESCRIPTION:

This premise reflects \$32.7 million LRF reimbursement authority for statewide contracts, including the Private Agency Adoptions Reimbursement Program, the Chafee Post Secondary ETV Program and Health Care Oversight for Children in FC, among others that were realigned. Prior to 2011 Realignment, CDSS managed several CWS contracts that had a statewide benefit. Under 2011 Realignment, the GF for these contracts shifted to LRF. Because these contracts have a statewide benefit, in conjunction with CWDA, CDSS continues to administer and manage the contracts.

In order for CDSS to receive reimbursement for these contract costs, a Contract Special Account was created within the LRF Protective Services Subaccount to fund these contracts. The Santa Clara County Social Services Agency is the designated county to administer this account.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2012.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Government Code section 30029.8.
- CDSS established an MOU with Santa Clara County.
- CDSS' contract administration and oversight costs are reimbursed with LRF funds by the Santa Clara County Social Services Agency.
- There is \$32,721,000 in reimbursement authority to provide for contract services and CDSS' administration and oversight costs.

METHODOLOGY:

The reimbursement authority is statutorily held at \$32,721,000.

FUNDING:

The funding for this program is 100 percent reimbursement from the Contract Special Account, administered by Santa Clara Social Services Agency, created within the LRF Protective Services Subaccount. On a monthly basis, the SCO deposits LRF in the Contract Special Account. CDSS invoices Santa Clara County Social Services Agency for the reimbursement of the contracted services funded under this account.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

State Contracts County Reimbursement*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
State Contracts County Reimbursement	\$32,721	\$0	\$0	\$0	\$32,721

FY 2015-16

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
State Contracts County Reimbursement	\$32,721	\$0	\$0	\$0	\$32,721

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CWS Consolidated Federal Grants^{*}

DESCRIPTION:

This premise reflects the following CWS federal grants: PSSF; PSSF Increased Funding for Caseworker Visits; Chafee ILP and Chafee ETV. These grants provide funding for services to support and preserve families, protect children, prevent child abuse and neglect, facilitate the transition of foster children to emancipated lifestyles and assist youth in the development of skills necessary to lead independent and productive lives.

IMPLEMENTATION DATE:

Each program within the CWS Consolidated Federal Grants has its own implementation date.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 106909.3 and 16600 through 16604.5, PL 107-133 and Social Security Act section 477.
- The FY 2014-15 and FY 2015-16 PSSF grant amount is estimated to be \$31.1 million.
- The FY 2014-15 and FY 2015-16 PSSF Increased Funding for Caseworker Visits grant amount is estimated to be \$2.0 million.
- The FY 2014-15 and FY 2015-16 state operations costs utilizing PSSF funds are \$1.2 million.
- The Chafee ILP grant amount is estimated to be \$18.1 million in FY 2014-15 and \$18.5 million in FY 2015-16.
- The FY 2014-15 and FY 2015-16 state operations costs utilizing Chafee ILP funds are \$1.6 million.
- The FY 2014-15 and FY 2015-16 Chafee ILP grant hold-back amount for the California Youth Connection is \$200,000.
- The FY 2014-15 Chafee ETV grant amount is estimated to be \$5.8 million and the FY 2015-16 grant amount is estimated to be \$6.0 million.

METHODOLOGY:

The total costs are calculated by summing the federal grant awards, less state operations costs and grant hold-back amounts.

FUNDING:

Federal funding is provided by Title IV-B and Title IV-E of the Social Security Act. The grants require matching funds provided from a portion of 2011 Realignment. These grants use in-kind funds from the LRF as match funds, therefore funding is reflected as 100 percent federal funds.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

CWS Consolidated Federal Grants^{*}

CHANGE FROM GOVERNOR’S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 increase reflects the updated Chafee ILP and Chafee ETV grants.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects the updated Chafee ILP and Chafee ETV grants.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
CWS Consolidated Federal Grants	\$54,024	\$54,024	\$0	\$0	\$0

FY 2015-16

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
CWS Consolidated Federal Grants	\$54,641	\$54,641	\$0	\$0	\$0

**Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.*

California Partners for Permanency (CAPP)*

DESCRIPTION:

This premise reflects five grant awards distributed to California over five years from the federal ACF for a cumulative total of \$14.5 million. The federal grants support the implementation of local demonstration projects that test the effectiveness of innovative intervention strategies to improve permanency outcomes of foster children in California, in particular African American and Native American youth who have been identified as having the most significant barriers to permanency. Projects funded by the grants address site-specific issues in order to help children move from FC to permanency in less than three years. 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, set to end September 30, 2015.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Social Security Act section 426.
- The participating counties are: Fresno, Humboldt, Los Angeles and Santa Clara.
- This premise is based on FFY grant amounts.
- The FFY 2014 and FFY 2015 grant amounts are estimated to be \$3.0 million.
- The actual carryover funds are approximately \$2.0 million for FY 2014-15.
- The projected carryover funds are \$1.5 million for FY 2015-16.
- The FY 2014-15 and FY 2015-16 projected state operations costs are \$135,962.

METHODOLOGY:

The total costs are calculated by summing the federal grant amount and the carryover funds, less the state operations costs.

FUNDING:

Federal funding is provided by Title IV-B of the Social Security Act. The grants require a ten percent match, which are in-kind match funds from a portion of 2011 Realignment. These grants use in-kind funds from the LRF as match funds, therefore funding is reflected as 100 percent federal funds.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 increase reflects an increase in the actual carryover amount and a reduction in the state operations hold back amount.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

California Partners for Permanency (CAPP)*

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a decrease in the projected carryover amount.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
CAPP	\$4,866	\$4,866	\$0	\$0	\$0

FY 2015-16

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
CAPP	\$4,364	\$4,364	\$0	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Child Welfare Training Program*

DESCRIPTION:

This premise reflects the costs of providing a statewide coordinated training program designed specifically to meet the needs of county social workers assigned to ER, FM, FR, PP and Adoption responsibilities. The Child Welfare Training Program includes training for other public agencies, including county probation departments, who provide child welfare case management services. The training is provided through contracts entered into by CDSS with the California Social Work Education Center, UC Berkeley and Judicial Resources and Technical Assistance, among many others. The training 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, indicators of mental health needs, case management and the use of community resources.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1988. Regional Training Academies implemented in 1996.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 16200 through 16215.
- In-kind match from university contributions is used to draw down a portion of the federal Title IV-E funds.
- The percent of federally eligible costs is 65 percent in FY 2014-15 and 66 percent in FY 2015-16 for the 58-county estimate.

METHODOLOGY:

The estimate is based on contract costs.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP based on 75 percent for direct training and curriculum development and 50 percent for administration costs associated with the training. Funding for non-federal costs is 100 percent GF, with the exception of various contracts which utilize in-kind match from university contributions.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 net increase reflects the increases to the training contracts. The FY 2015-16 increase reflects updates to various training contracts and an increase in the indirect cost for the university contracts.

REASON FOR YEAR-TO-YEAR CHANGE:

The net increase reflects the addition of new training contracts for child abuse prevention, tribes, CAPP and psychotropic medication, as well as updates to various existing training contracts.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Child Welfare Training Program*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
Child Welfare Training Program	\$26,781	\$16,992	\$9,789	\$0	\$0

FY 2015-16

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
Child Welfare Training Program	\$28,310	\$17,048	\$11,262	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Pass-Through Title IV-E*

DESCRIPTION:

This premise reflects the pass-through of federal Title IV-E funds for eligible probation administrative costs, social worker training, other public agencies' administrative costs, Administrative Office of Courts training costs for county counsel/court appointed special advocate and Foster and Kinship Care Education Program costs.

The state received federal approval to pass-through Title IV-E administrative funds for county probation staff activities that are similar to the Title IV-E eligible tasks of county child welfare social workers. The federal funds are passed through to the county probation departments for federally-eligible activities related to probation supervised cases in FC and for Title IV-E eligible training of probation staff completing case management activities on behalf of these children.

A contract between CDSS, the UCs and the California State Universities was implemented for a statewide training program to increase the number of social workers employed in CWDs. This effort was initiated due to the shortage of professionals in public CWS, especially those holding a master's degree in social work. Currently, there are 20 schools of social work participating. The in-kind match is provided by the California State Universities.

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-through Title IV-E funds to other public agencies, such as education or mental health, which perform eligible administrative activities for children at risk of or currently placed in FC. This pass-through provision does not apply to similar activities performed by private non-profit organizations.

The Administrative Office of the Courts coordinates and oversees training via a contract with statewide and local training providers who provide short-term training to enhance social worker, court appointed special advocates and county counsel's understanding of the judicial determination process and necessary court findings on behalf of children in FC.

The Foster and Kinship Care Education Program is conducted through community colleges in consultation with CDSS and key state foster and caregiver associations. The CCC Proposition 98 funds are used as matching funds to draw down federal Title IV-E funds for the provision of education and training to foster parents and kinship care providers.

IMPLEMENTATION DATES:

- Pass-through funds for probation administrative costs implemented in June 1991.
- Social worker training implemented in FY 1992-93.
- Pass-through funds for other public agencies implemented in FY 2003-04.
- Administrative Office of the Courts training implemented in FY 2005-06.
- Foster and Kinship Care Education Program implemented in FY 2005-06 after incorporating the Foster Parent Training Fund (FY 1990-91) and the Foster Parent Training Program (FY 1998-99).

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Pass-Through Title IV-E*

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 16003.
- The probation administrative pass-through costs are based on the 49-county FY 2013-14 actual expenditures of \$36.5 million for FY 2014-15 and \$16.3 million for FY 2015-16. Three months of the additional seven Title IV-E Well-Being Project counties of \$6.0 million are also included in FY 2014-15.
- The social worker training contract costs are \$35.5 million for FY 2014-15 and \$36.6 million for FY 2015-16.
- The other public agencies' administrative pass-through funds are based on the 49-county FY 2013-14 actual expenditures of \$747,995 for FY 2014-15 and \$648,492 for FY 2015-16. Three months of the seven additional Title IV-E Well-Being Project counties of \$42,818 are also included in FY 2014-15.
- The Administrative Office of the Courts training contract is \$702,408 for FY 2014-15 and \$726,698 for FY 2015-16.
- The federal portion of the Foster and Kinship Care Education Program's contract is \$4.4 million for FY 2014-15 and \$4.6 million FY 2015-16.
- The percent of federally eligible costs is 65 percent in FY 2014-15 and 66 percent in FY 2015-16 for the 58-county estimate.

METHODOLOGY:

The Title IV-E total pass-through costs are calculated by summing the eligible costs for probation administration, social worker training, other public agencies' administration, Administrative Office of the Courts training and Foster and Kinship Care Education Program.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 decrease reflects a decrease in the Administrative Office of Courts training contract. The FY 2015-16 decrease reflects a decrease in probation and other public agencies' expenditures, offset by an increase in the percent of federally eligible costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a decrease in the probation and other public agencies' expenditures, slightly offset by increases in the social worker training contract, the Administrative Office of the Courts training contract and the percent of federally eligible costs.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Pass-Through Title IV-E*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
Pass-Through Title IV-E	\$83,820	\$83,820	\$0	\$0	\$0

FY 2015-16

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
Pass-Through Title IV-E	\$58,884	\$58,884	\$0	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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CWS/CMS Ongoing M&O*

DESCRIPTION:

This premise reflects the costs related to the ongoing and administrative support of the CWS/CMS. As mandated by W&IC section 16501.5, 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 ER, FM, FR, PP, Adoptions and foster care reports mandated by sponsoring and funding agencies.

The 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 CWS; (3) necessary information and forms required to determine eligibility for the AFDC-FC program; (4) tracking of all placement activities for children in FC and (5) issuance of the appropriate NOA messages, court reports and service plans. The system also produces all required state and federal reports. State level project management for CWS/CMS is provided by OSI, who administers the projects under an interagency agreement with CDSS.

IMPLEMENTATION DATE:

This premise became effective FY 1995-96.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 16501.5.
- Costs represent ongoing M&O associated with support and oversight of the CWS/CMS.
- Costs include the wide-area network and infrastructure hosting services provided by the state data center, OSI administrative support and vendor costs related to contracted application and technical architecture support services.

METHODOLOGY:

The total costs are based on the FY 2015-16 CWS/CMS M&O plan and subsequent adjustments.

FUNDING:

The cost allocation included in this document is based on the CDSS Operational Cost Allocation Plan approved by the DHHS, Division of Cost Allocation.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 decrease reflects the updated Cost Application Plan including a technical adjustment. There is no change in FY 2015-16.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects Prime Vendor Adjustments.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CWS/CMS Ongoing M&O***Expenditures:**

(in 000s)

FY 2014-15

Item 151 - CWS Administration	Total	Federal	State	County	Reimb.
CWS/CMS M&O	\$80,324	\$40,121	\$35,600	\$0	\$4,603

FY 2015-16

Item 151 - CWS Administration	Total	Federal	State	County	Reimb.
CWS/CMS M&O	\$80,043	\$40,000	\$35,457	\$0	\$4,586

CDSS/OSI PARTNERSHIP	Total	CDSS	OSI
FY 2014-15	\$80,324	\$32,673	\$47,651
FY 2015-16	80,043	32,723	47,320

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CWS-New System Project*

DESCRIPTION:

This premise reflects the costs associated with the development and implementation of the CWS-NS Project, which will replace the aging CWS/CMS. In order to effectively protect California's at risk children and preserve families, a multi-agency collaborative service approach supported by a comprehensive case management system is required. The case management system must provide data exchange with other systems, support evolving mobile computing devices and have enhanced and expanded operational functionality to meet CWS business needs and federal Statewide Automated Child Welfare Information System requirements. The new system must have robust case, process and outcome data reporting capability, to ensure state- and county-level analysis for program monitoring, evaluation and policymaking.

IMPLEMENTATION DATE:

This premise was implemented in July 2013.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 16501.5.
- Costs presented are associated with the support and oversight of the CWS-NS Project.

METHODOLOGY:

Costs are based on the staffing, consultant services and operating expenses and equipment in support of the CWS-NS Project.

FUNDING:

The funding for this program is determined by the sharing ratios of the benefitting programs based on CDSS' Operational Cost Allocation Plan approved by the DHHS, Division of Cost Allocation. Federal funds include TANF and Title IV-E and Title XIX of the Social Security Act. The remaining portion is funded with GF.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 increase reflects baseline adjustments for Budget Letters 14-25 and 14-26. Also, there was a technical error in the CWS-NS CAP put forward for Governor's Budget and this error has been amended.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2015-16 costs have increased due to county engagement and training costs consistent with the Project's approved Special Project Report.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CWS-New System Project*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
CWS-NS Project	\$10,547	\$5,358	\$4,569	\$0	\$620

FY 2015-16

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
CWS-NS Project	\$16,657	\$8,462	\$7,216	\$0	\$979

CDSS/OSI PARTNERSHIP	Total	CDSS	OSI
FY 2014-15	\$10,547	\$2,380	\$8,167
FY 2015-16	\$16,657	\$8,488	\$8,169

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

County Children's Trust Funds*

DESCRIPTION:

This premise reflects funding for community child abuse prevention activities generated through the Department of Motor Vehicles' "Have a Heart, Be a Star, Help our Kids" license plate program. Fees from this program are distributed into the state's Child Health and Safety Fund and accessed by counties through each of the 58 County Children's Trust Funds.

IMPLEMENTATION DATE:

This premise implemented in FY 1992-93.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 18285 and Vehicle Code section 5072.
- Up to 25 percent of the actual license plate revenue may be used for child abuse prevention. County Children's Trust Funds receive 22.5 percent of the actual plate revenue while the remaining 2.5 percent is included in the State Children's Trust Fund Program premise.
- The FY 2012-13 actual revenues are used to estimate the funds available in FY 2014-15, and FY 2013-14 actual revenues are used to estimate the funds available in FY 2015-16.
- The actual license plate revenue was \$4,107,000 for FY 2012-13 and \$4,134,000 for FY 2013-14.

METHODOLOGY:

The total funds available are calculated by multiplying the actual license plate revenue by 22.5 percent.

FUNDING:

Funding is 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects updated actual revenues.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

County Children’s Trust Funds*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
County Children’s Trust Funds	\$924	\$0	\$924	\$0	\$0

FY 2015-16

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
County Children’s Trust Funds	\$930	\$0	\$930	\$0	\$0

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

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 CWS Program Improvement Fund. This fund enhances the state’s ability to provide a comprehensive system of support to promote positive outcomes for children and families.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2005.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 16524.
- The expected donations are \$4.0 million GF each FY, which will be used to provide training and are eligible for matching federal funds.
- The percent of federally eligible costs is 66 percent in FY 2014-15 and FY 2015-16 for the 58-county estimate.

METHODOLOGY:

The total costs are calculated by summing the expected donations with the amount of FFP.

FUNDING:

Donated funds are 100 percent GF, payable from the CWS Program Improvement Fund. Federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the 75 percent enhanced rate for those cases meeting federal eligibility criteria.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 increase reflects an increase in the percent of federally eligible costs.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
CWS Program Improvement Fund	\$7,921	\$3,921	\$4,000	\$0	\$0

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

CWS Program Improvement Fund*

EXPENDITURES (CONTINUED):

(in 000s)

FY 2015-16

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
CWS Program Improvement Fund	\$7,921	\$3,921	\$4,000	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Reports of Child Near Fatalities*

DESCRIPTION:

This premise reflects the costs associated with compiling and publishing reports and disclosing information on all near fatalities caused by suspected child abuse or neglect as required by federal CAPTA. This includes costs to bring California into compliance with new federally mandated child near fatality reporting and disclosure requirements.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: CAPTA section 106(b)(2) and PL 111-320.
- The FY 2015-16 projected number of near fatalities is 135 incidents statewide. Of those, 67 cases will occur in the nine Title IV-E Well-Being Project counties.
- Each child near fatality report and disclosure takes 64 hours of social worker time to complete.
- The social worker cost per hour is \$72.60.
- The percent of federally eligible costs is 69 percent in FY 2015-16 for the 49-county estimate. The nine Title IV-E Well-Being Project counties do not receive FFP as the federal funds for the Project are capped.

METHODOLOGY:

The total cost is calculated by multiplying the projected number of cases by the social worker time to complete each report and then multiplied by the hourly social worker cost.

FUNDING:

Federal funding for the 49 counties is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the 50 percent administration rate for those cases meeting federal eligibility criteria.

The responsibility for child welfare and protective services was realigned to the counties in 2011 as part of 2011 Public Safety Realignment. Pursuant to Proposition 30, subsequent changes in federal statutes or regulations that alter the conditions under which federal matching funds as described in 2011 Realignment Legislation are obtained, and have the overall effect of increasing the costs incurred by a local agency, require the state to annually fund 50 percent of the non-federal share of these costs as determined by the state. Therefore, funding for the remaining non-federal costs for all 58 counties is 50 percent GF and 50 percent county. Only the GF and county share of funding is reflected for the nine Title IV-E Well-Being Project counties as the federal funds for the Project are capped.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Reports of Child Near Fatalities*

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 decrease reflects the delay in implementation date. There is no change in FY 2015-16.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects the delay in implementation date.

EXPENDITURES:

(in 000s)

FY 2014-15

Reports of Child Near Fatalities	Total	Federal	State	County	Reimb.
Item 151 – CWS Administration	\$0	\$0	\$0	\$0	\$0
Item 153 – Title IV-E Project	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$0

FY 2015-16

Reports of Child Near Fatalities	Total	Federal	State	County	Reimb.
Item 151 – CWS Administration	\$315	\$109	\$103	\$103	\$0
Item 153 – Title IV-E Project	214	0	107	107	0
Total	\$529	\$109	\$210	\$210	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CWS Case Record Reviews*

DESCRIPTION:

This premise reflects funding for the additional federally mandated activities for California Child and Family Services Reviews. In order to comply with the August 27, 2012, federal ACF Children's Bureau memorandum 12-07, funds are needed to comply with federal requirements for a state Continuous Quality Improvement system. In addition, a method for conducting ongoing case reviews to measure the quality of casework provided by CWDs is needed. California's existing Continuous Quality Improvement system does not contain this element.

Similar to the federal Child and Family Services Review process, the new CWS case record reviews include an extensive online review process and in-depth interviews for individuals involved in the case plan for each case selected to undergo review. The reviews include interviews with children, parents, social workers, foster parents and service providers to examine both the quantitative and qualitative aspects of social service delivery. The reviews also ensure that social service requirements are being met. Each CWD and county probation department performs reviews on an ongoing basis, at least monthly for child welfare and at least quarterly for probation. The sample size must be representative of the entire continuum of CWS from the ER hotline to post permanency. The review findings are to be aggregated, analyzed and summarized for inclusion in the County Self-Assessment or System Improvement Plan.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 10601.2.
- The projected CWS (ER, FM, FR and PP) cases and probation cases are 125,339 for FY 2015-16. Of those, 69,204 cases will be in the nine Title IV-E Well-Being Project counties.
- The statewide annual unit cost is \$129,074 per social worker FTE.
- Counties with 100 cases or less will receive funding for one FTE, including those with zero projected cases.
- Counties with 101 to 500 cases will receive funding for two FTEs.
- Counties with 500 to 1,500 cases will receive funding for three FTEs.
- Counties with more than 1,500 cases will receive funding for four FTEs.
- The FY 2015-16 projected FTEs is 155 statewide. Of those, the nine Title IV-E Well-Being Project counties will have 31 FTEs.
- The percent of federally eligible costs is 69 percent in FY 2015-16 for the 49-county estimate. The nine Title IV-E Well-Being Project counties do not receive FFP as the federal funds for the Project are capped.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CWS Case Record Reviews*

METHODOLOGY:

The projected county-specific caseload is used to determine the FTE level for each county. The total cost of case record reviews is calculated by multiplying the number of FTEs for each county by the annual unit cost.

FUNDING:

Federal funding for the 49 counties is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the 50 percent administration rate for those cases meeting federal eligibility criteria.

The responsibility for child welfare and protective services was realigned to the counties in 2011 as part of 2011 Public Safety Realignment. Pursuant to Proposition 30, subsequent changes in federal statutes or regulations that alter the conditions under which federal matching funds as described in 2011 Realignment legislation are obtained, and have the overall effect of increasing the costs incurred by a local agency, require the state to annually fund 50 percent of the non-federal share of these costs as determined by the state. Therefore, funding for the remaining non-federal costs for all 58 counties is 50 percent GF and 50 percent county. Only the GF and county share of funding is reflected for the nine Title IV-E Well-Being Project counties as the federal funds for the Project are capped.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 increase reflects an increase in the number of FTEs needed.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects an increase in the number of FTEs needed.

EXPENDITURES:

(in 000s)

<u>FY 2014-15</u>					
CWS Case Record Reviews	Total	Federal	State	County	Reimb.
Item 151 – CWS Administration	\$8,842	\$3,006	\$2,918	\$2,918	\$0
Item 153 – Title IV-E Project	1,462	0	731	731	0
Total	\$10,304	\$3,006	\$3,649	\$3,649	\$0
<u>FY 2015-16</u>					
CWS Case Record Reviews	Total	Federal	State	County	Reimb.
Item 151 – CWS Administration	\$16,006	\$5,522	\$5,242	\$5,242	\$0
Item 153 – Title IV-E Project	2,706	0	1,353	1,353	0
Total	\$18,712	\$5,522	\$6,595	\$6,595	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Katie A. Settlement Agreement Reporting*

DESCRIPTION:

This premise reflects the administrative costs for counties to complete the semi-annual progress reports related to the implementation of specialty mental health services for youth who meet the subclass criteria as defined in the *Katie A. v. Bonta* Settlement Agreement. Pursuant to the Katie A. Settlement Agreement, Implementation Plan and related court orders, and in coordination with DHCS, specialty mental health services must be provided to members of the subclass when medically necessary. These services also need to be delivered in a manner consistent with the Core Practice Model. The purpose of the progress reports is to support successful statewide implementation of these services by identifying the potential subclass members and the mental health services provided to those subclass members during the reporting period. For DHCS and CDSS, the progress reports are an important tool assisting the state in identifying barriers around implementation that may need further clarification and opportunities for improvement at the state and county level.

IMPLEMENTATION DATE:

The premise implemented on July 1, 2014.

KEY DATA/ASSUMPTIONS:

- Progress reports are to be completed by counties twice a year.
- Eighty hours of social worker time is needed to pull, compile and match data needed to complete each progress report.
- Fifteen hours of social worker time is needed to collaborate with county mental health departments to complete each progress report.
- The social worker cost per hour is \$72.60.
- This estimate reflects costs for 58 counties.

METHODOLOGY:

The total cost is calculated by multiplying the total social worker time by the hourly social worker cost. These costs are then multiplied by the number of counties by two times per year to get the annualized cost.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act at the reimbursement rate of 50 percent. The responsibility for child welfare and protective services was realigned to the counties in 2011 as part of 2011 Public Safety Realignment. Pursuant to Proposition 30, court decisions made after September 30, 2012, that have the overall effect of increasing the costs incurred by a local agency for programs or levels of service mandated by 2011 Realignment shall apply to local agencies only to the extent that the state provides annual funding for the increase. Local agencies are not obligated to provide programs or levels of service above the level for which funding has been provided. Therefore, funding for the remaining non-federal costs for all 58 counties is 100 percent GF.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Katie A. Settlement Agreement Reporting*

CHANGE FROM GOVERNOR’S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects the end of the court’s jurisdiction and the discontinuation of the premise.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
Katie A. Settlement Agreement Reporting	\$800	\$0	\$400	\$0	\$400

FY 2015-16

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
Katie A. Settlement Agreement Reporting	\$0	\$0	\$0	\$0	\$0

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

Services to Commercially Sexually Exploited Children (CSEC)*

DESCRIPTION:

This premise reflects the funding for prevention, intervention, services and training for the state and federal CSEC Program. California has a significant CSEC population and many of the children being subjected to commercial sexual exploitation are either in FC or in runaway status from FC, especially those placed in group care.

In FY 2014-15, implementation of the program began with core activities focused on protocol development and training. The CSEC awareness and identification training is provided through the regional training academy system and the community colleges to train social workers, probation officers, foster parents and group home staff.

Beginning in FY 2015-16, funding will be provided to complete federally required CSEC activities from the Preventing Sex Trafficking and Strengthening Families Act (PL 113-183) and for counties that opt in, to conduct additional CSEC activities. PL 113-183 requires child welfare agencies to develop and implement CSEC policies and procedures, development and implementation of protocols for missing/runaway foster youth, notification of law enforcement of CSEC and missing/runaway foster youth, collection of CSEC data into CWS/CMS, training of social workers regarding CSEC and identification, documentation and determination of appropriate services for children in FC who are victims of child sex trafficking or at risk of becoming victims.

Counties that elect to participate in state CSEC activities will receive funding for the development of social worker resources to specialize in and be responsive to children and youth identified as CSEC. Activities will include continuation of protocol development, development and provision of specialized services and case management. Counties that elect to participate are required to submit plans to CDSS on how the funds will be used to serve this population. County plans will identify and develop interagency responses and protocols to be utilized in coordination with the county probation, mental health, and public health departments, and the juvenile court in the county. This interagency protocol may include other statutorily suggested entities.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statutes: W&IC section 16524.7 through 16524.10 and the Budget Act of 2014.
- Assumes all 58 counties will elect to participate in the program in FY 2014-15 and FY 2015-16.
- Funding of \$750,000 GF in FY 2014-15 was allocated to the counties for the training of foster youth and to assist youth in recognizing and avoiding commercial sexual exploitation. Training of foster youth is not eligible for FFP.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Services to Commercially Sexually Exploited Children (CSEC)*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Funding of \$1.75 million GF in FY 2014-15 was provided for training of county and tribal social workers, foster caregivers, probation and group home staff. The probation intake training component is not eligible for FFP.
- A total of \$2.5 million GF was allocated to all 58 counties in FY 2014-15 for up-front protocol development and capacity building for CSEC program services.
- In FY 2015-16, \$14 million GF will be allocated to the counties to complete federally required CSEC programs and optional state CSEC programs. Counties will receive \$3.25 million GF to complete federal CSEC requirements. The remaining \$10.75 million GF will be allocated to the counties based on readiness to serve the CSEC population.
- In FY 2015-16, 15 counties will not be ready to serve the CSEC population and will receive \$25,000 GF to develop protocols.
- In FY 2015-16, 43 counties will be ready to serve the CSEC population and will receive a share of \$10.75 million GF weighted by foster care caseload, less funds allocated to not ready counties.
- The percent of federally eligible costs is 65 percent in FY 2014-15 for the training costs for the 58-county estimate.
- The percent of federally eligible costs is 68 percent in FY 2014-15 and 69 percent in FY 2015-16 for the up-front protocol development costs and other administrative costs for the 49-county estimate. The nine Title IV-E Well-Being Project counties do not receive FFP as the federal funds for the Project are capped.

Federal CSEC

- Each of the 58 counties must develop and implement separate policies and procedures regarding CSEC and separate protocols for youth that go missing or runaway from FC.
- It is assumed 0.25 FTE is required for the development and implementation of CSEC policies and procedures and 0.25 FTE is required for the development and implementation of protocols for missing/runaway youth.
- The annual social worker cost per FTE is \$129,074.
- The projected number of CSEC is 7,000 statewide for FY 2015-16.
- The projected number of missing and runaways who are possible CSEC is 1,226 statewide for FY 2015-16.
- The projected number of youth at risk of becoming victims of commercial sexual exploitation is 2,000 statewide for FY 2015-16.
- The projected number of incoming at-risk youth requiring screenings is 1,100 statewide.
- Thirty minutes of social worker time required per case to notify law enforcement of CSEC victims within 24 hours.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Services to Commercially Sexually Exploited Children (CSEC)*

KEY DATA/ASSUMPTIONS (CONTINUED):

- Thirty minutes of social worker time required per case to notify law enforcement of missing and runaway youth from FC within 24 hours.
- Thirty minutes of social worker time required per case to collect and input federally-required data elements into CWS/CMS for CSEC.
- Two hours of social worker time required per case to identify CSEC victims through screenings with CSEC, at-risk youth and incoming at-risk youth.
- Six hours of social worker time required per case to determine appropriate services for CSEC and at-risk youth.
- Two hundred probation placement officers statewide will require one day of CSEC training at an average cost of \$75 per day.

METHODOLOGY:

The total cost is calculated by summing the GF allocation and amount of FFP.

FUNDING:

Funding for foster youth training and services to serve the youth is 100 percent GF, as these activities are not eligible for FFP.

For the training of foster parents, probation and group home staff, federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the 75 percent enhanced training rate for those cases meeting federal eligibility criteria. The probation intake training component is not eligible for FFP. Funding for the non-federal costs for all 58 counties is 100 percent GF.

For up-front protocol development, capacity building and other administrative activities, federal funding for the 49 counties is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the 50 percent administration rate for those cases meeting federal eligibility criteria.

The responsibility for child welfare and protective services was realigned to the counties in 2011 as part of 2011 Public Safety Realignment. Pursuant to Proposition 30, subsequent changes in federal statutes or regulations that alter the conditions under which federal matching funds as described in 2011 Realignment legislation are obtained, and have the overall effect of increasing the costs incurred by a local agency, require the state to annually fund 50 percent of the non-federal share of these costs as determined by the state. Only the GF and county share of funding is reflected for the nine Title IV-E Well-Being Project counties as the federal funds for the Project are capped.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Services to Commercially Sexually Exploited Children (CSEC)*

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 increase in Item 151 reflects updated federal Title IV-E authority. There is no change in Item 153 for FY 2014-15.

The FY 2015-16 net increase reflects updated activities that are eligible to receive FFP, and additional components to comply with federal law. The FY 2015-16 decrease in Item 151 and corresponding increase in Item 153 reflects the updated allocation methodology.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects the additional GF authorized by the Budget Act of 2014.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Services to CSEC	Total	Federal	State	County	Reimb.
Item 151 – CWS Administration	\$6,955	\$2,585	\$4,370	\$0	\$0
Item 153 – Title IV-E Project	630	0	630	0	0
Total	\$7,585	\$2,585	\$5,000	\$0	\$0
	<u>FY 2015-16</u>				
Services to CSEC	Total	Federal	State	County	Reimb.
Item 151 – CWS Administration	\$12,681	\$2,969	\$7,677	\$2,035	\$0
Item 153 – Title IV-E Project	7,540	0	6,323	1,217	0
Total	\$20,221	\$2,969	\$14,000	\$3,252	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

After 18 Terminated Guardianship and Adoption *

DESCRIPTION:

This premise reflects the costs associated with expanding the categories of eligible non-minors who can return to FC. Non-minors who are under the age of 21 and who received aid after attaining 18 years of age under Kin-GAP, Fed-GAP or AAP may petition the court for a hearing to determine whether or not they are eligible under the provisions of W&IC section 388.1 and able to return to FC.

If re-entry and remaining in FC are in the non-minor's best interest, the court can assume dependency jurisdiction over the non-minor and order placement and care responsibility with the child welfare agency.

To qualify, the youth must be either:

- A non-minor former dependent who received aid after attaining 18 years of age under the state or federal Kin-GAP Program and whose former guardian(s) no longer provide ongoing support to, and no longer receive aid on behalf of the non-minor; or
- A non-minor dependent who received AAP after attaining 18 years of age and whose adoptive parent(s) no longer provide ongoing support to, and no longer receive aid on behalf of the non-minor.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 388.1, 11400 and 11403.
- Funding for this premise reflects the After 18 Program administrative costs, including basic staffing, child relationships, increased funding for social worker visits, health oversight and coordination, criminal background checks, personalized transition plans and foster youth identity theft. For more information on these realigned components, please refer to the 2011 May Revision binder.
- Three percent of the Kin-GAP, Fed-GAP and AAP cases aged 18 to 21 will re-enter FC, resulting in 19 cases annually.
- The social worker cost per hour is \$72.60.
- The percent of federally eligible costs is 66 percent in FY 2015-16 for the 58-county estimate.

METHODOLOGY:

The total cost is calculated by summing the administrative components.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

After 18 Terminated Guardianship and Adoption *

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the 50 percent administrative rate for those cases and programs meeting federal eligibility criteria.

The responsibility for child welfare and protective services was realigned to the counties in 2011 as part of 2011 Public Safety Realignment. Pursuant to Proposition 30, legislation enacted after September 30, 2012, that has the overall effect of increasing the costs incurred by a local agency for programs or levels of service mandated by 2011 Realignment shall apply to local agencies only to the extent that the state provides annual funding for the cost increase. Local agencies are not obligated to provide programs or levels of service required by legislation above the level for which funding has been provided. Therefore, funding for the remaining non-federal costs for all 58 counties is 100 percent GF.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change in FY 2014-15. There is no net change in FY 2015-16. The FY 2015-16 federal increase and corresponding GF decrease reflects an increase in the percent of federally eligible costs.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000s)

<u>FY 2014-15</u>					
Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
After 18 Terminated Guardianship	\$0	\$0	\$0	\$0	\$0

<u>FY 2015-16</u>					
Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
After 18 Terminated Guardianship	\$112	\$39	\$73	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Sibling Visitations*

DESCRIPTION:

This premise reflects the costs associated with the state mandated sibling visitations for children who are wards of the juvenile court. The statute requires county child welfare and probation social workers to provide additional detailed information in court reports regarding sibling visitation of children in FC. Social workers court reports are now required to include: (1) whether visits between siblings not placed together are supervised or unsupervised; (2) the reasons for any supervision; (3) what needs to be accomplished to have unsupervised visitation; (4) the length and location of the visits; and (5) any plan to increase visitation between the siblings.

Social workers will also be required to assess sibling relationships between dependent and non-dependent siblings. Dependent siblings can now petition the court to assert a relationship and request visitation with a non-dependent sibling residing with a common legal or biological parent.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statutes: W&IC sections 358.1, 361.2, 362.1, 366, 366.1, 366.3, 388, 706.6, 778 and 16002.
- There are 17,080 cases statewide that have dependent siblings. Of those, 8,943 cases are in the nine Title IV-E Well-Being counties.
- One hour of social worker time is required to complete the additional documentation required for dependent siblings to describe the frequency and nature of sibling visits.
- There are 13,801 cases statewide that have non-dependent siblings. Of those, 7,582 cases are in the nine Title IV-E Well-Being counties.
- There are 6,818 cases statewide that have both dependent and non-dependent siblings. Of those, 3,555 cases are in the nine Title IV-E Well-Being counties.
- Six hours of social worker time is required to compile and document the additional information that needs to be included in social study and evaluation reports and presented at status review hearings.
- The social worker cost per hour is \$72.60.
- The percent of federally eligible costs is 69 percent in FY 2015-16 for the 49-county estimate. The nine Title IV-E Well-Being Project counties do not receive FFP as the federal funds for the Project are capped.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Sibling Visitations*

METHODOLOGY:

The administrative costs for dependent and non-dependent siblings is calculated by multiplying the applicable cases by the social worker time, then by the hourly social worker rate. The total costs are calculated by summing the costs associated with dependent siblings and/or non-dependent siblings.

FUNDING:

Federal funding for the 49 counties is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the 50 percent administration rate for those cases meeting federal eligibility criteria.

The responsibility for child welfare and protective services was realigned to the counties in 2011 as part of 2011 Public Safety Realignment. Pursuant to Proposition 30, legislation enacted after September 30, 2012, that has the overall effect of increasing the costs incurred by a local agency for programs or levels of service mandated by 2011 Realignment shall apply to local agencies only to the extent that the state provides annual funding for the cost increase. Local agencies are not obligated to provide programs or levels of service required by legislation above the level for which funding has been provided. Therefore, funding for the remaining non-federal costs for all 58 counties is 100 percent GF. Only the GF share of funding is reflected for the nine Title IV-E Well-Being Project counties as the federal funds for the Project are capped.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Sibling Visitations	Total	Federal	State	County	Reimb.
Item 151 – CWS Administration	\$0	\$0	\$0	\$0	\$0
Item 153 – Title IV-E Project	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Sibling Visitations*

EXPENDITURES (CONTINUED):

(in 000s)

FY 2015-16

Sibling Visitations	Total	Federal	State	County	Reimb.
Item 151 – CWS Administration	\$4,721	\$1,629	\$3,092	\$0	\$0
Item 153 – Title IV-E Project	3,788	0	3,788	0	0
Total	\$8,509	\$1,629	\$6,880	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Interagency Child Abuse and Neglect Reporting^{*}

DESCRIPTION:

Starting in 1980, there have been multiple changes to statutes under the Child Abuse and Neglect Reporting Act requiring child protection and law enforcement agencies to submit information on perpetrators of substantiated instances of child abuse or neglect to DOJ, and to cross-report to other agencies. The changes that resulted in the filing of a state mandate claim required mandated reporters to: 1) submit a new Interagency Child Abuse and Neglect report form to DOJ; 2) continue to cross report to other agencies; and 3) complete other reporting activities for child abuse and neglect. Funding for these reporting requirements was provided to counties, with a required county share. A test claim was filed in 2001 with the Commission on State Mandates, alleging that reporting provisions of the Child Abuse and Neglect Reporting Act constituted an unfunded state mandate for local law enforcement, probation and county CWS staff. The Commission on State Mandates found in favor of the claimant agency, by determining there were additional requirements that constituted a state mandate. Eligible claimants were required to file initial reimbursement claims, for costs incurred between July 1, 1999, and June 30, 2013, with the SCO by July 15, 2014. The CWDs and county probation departments that receive mandated reports have filed claims with SCO for reimbursements for the increased costs. Funding for this premise reflects the ongoing costs to cover the county share as funding has been provided to the counties for these activities.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Penal Code section 11164.
- The ongoing projected statewide claims are \$4.0 million annually.

METHODOLOGY:

The costs reflect the ongoing projected statewide claims for the county share of cost for the CWDs and county probation departments.

FUNDING:

The funding is 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Interagency Child Abuse and Neglect Reporting ^{*}

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
Interagency Child Abuse and Neglect Reporting	\$0	\$0	\$0	\$0	\$0

FY 2015-16

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
Interagency Child Abuse and Neglect Reporting	\$4,000	\$0	\$4,000	\$0	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Strengthening Families Act*

DESCRIPTION:

This premise reflects costs associated with the federal Preventing Sex Trafficking and Strengthening Families Act (PL 113-183). The Act requires additional administrative activities consisting of six components. Five components are included herein, the sixth component, CSEC, is included in the Services to Commercially Sexually Exploited Children premise.

- 1) Another Planned Permanent Living Arrangement is a permanent placement option for long-term foster youth who do not reunify with their family, are not adopted or do not enter guardianship. The Act limits the availability of this option to those children who are 16 years of age or older and requires states to document to the court procedures related to the distribution of child support collected for youth with Another Planned Permanent Living Arrangement permanency plan.
- 2) The Act extends successor guardian and transition plan requirements under Chafee ILP by requiring youth to be involved in the development of or changes to their case plans. Specifically, social workers must consult with youth in developing the case plan and give youth the opportunity to choose two members of their case planning team who are not the social worker or foster parent. Social workers must also explain rights to youth in a developmentally-appropriate manner and obtain signed acknowledgement that the youth understands their rights. Additionally, the Act now requires credit report checks for foster youth 14 and 15 each year until the child is discharged from care. The foster youth receives assistance (including, when feasible, from any court-appointed advocate for the child) in interpreting and resolving any inaccuracies in the report.
- 3) The Act defines a “reasonable and prudent parent standard” and mandates that a caregiver must use the reasonable and prudent parent standard when determining whether to allow a child to participate in extracurricular, enrichment, cultural and social activities. The Act also requires documentation of the steps the state has taken to ensure the child’s foster family home or child care institution is following the reasonable and prudent parent standard.
- 4) The Act adds the requirement that notification be provided to parents of a child who is a sibling to a child in FC regarding the foster child’s removal and to obtain contact information if not provided by the foster child’s parent/family and to prepare and provide (call or mail) the notice.
- 5) The Act also requires counties to collect and input complete and accurate data on pregnant minors and non-minor dependents. This collection of information is done through the state’s CWS/CMS.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2015.

*Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.

Strengthening Families Act*

KEY DATA/ASSUMPTIONS:

- Authorizing statute: PL 113-183.
- The social worker cost per hour is \$72.60.
- The percent of federally eligible costs is 69 percent in FY 2015-16 for the 49-county estimate. The nine Title IV-E Well-Being Project counties do not receive FFP as the federal funds for the Project are capped.

Another Planned Permanent Living Arrangement

- The projected number of cases in long-term FC under age 16 is 5,129 statewide for FY 2015-16.
- Seven hours of additional social worker time is required per case to actively work towards guardianship and adoption case plan goals for all children under the age of 16 who can no longer have a permanent case plan goal of Another Planned Permanent Living Arrangement.
- The projected number of cases in long-term FC aged 16 to 21 is 11,409 statewide for FY 2015-16.
- Seven hours of additional social worker time is required per case for court documentation of youth in Another Planned Permanent Living Arrangement placements aged 16 to 21 and towards the additional time required for activities in regards to efforts to place these youth permanently with a parent, relative, guardianship or adoptive placement.

Successor Guardian

- The projected number of CWS and probation youth aged 14 to 21 is 20,586 statewide for FY 2015-16.
- One hour and fifteen minutes of additional social worker time is required per case to involve youth and non-minor dependents in the development of or changes to their case plans/transition plans.
- The projected number of CWS and probation youth aged 14 and 15 is 5,589 statewide for FY 2015-16.
- Approximately 31 percent of youth will have a credit report.
- One hour of additional social worker time is required per case to follow-up with youth that have a credit report and clear up inaccuracies.
- Each county is required to establish a \$500 (one-time) electronic Equifax account to be utilized by both child welfare and probation departments in order to request credit reports from the credit reporting agency. There are no fees associated with TransUnion or Experian.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Strengthening Families Act*

KEY DATA/ASSUMPTIONS (CONTINUED):

Reasonable Prudent Parent Standard

- The projected number of CWS and probation cases is 125,339 statewide for FY 2015-16.
- Fifteen minutes of social worker time is required per case for increased documentation regarding the Reasonable Prudent Parent Standard.

Notification of Relatives

- The projected number of CWS and probation youth that have a non-dependent sibling is 20,858 statewide for FY 2015-16. Of those, each youth will have two non-dependent siblings in a two-parent household.
- Fifteen minutes of social worker time required per case to provide notice to the parents of a child who is a sibling to a child in FC regarding the foster child's removal and to obtain contact information if not provided by the foster child's parent/family and to prepare and provide (call or mail) the notice.

Pregnant Minors and NMDs

- The projected number of female CWS and probation cases age 13 to 21 is 11,479 statewide for FY 2015-16. Of those, 292 cases (approximately 2.3 percent) are projected to be pregnant.
- Thirty minutes of social worker time required per case to collect and input federally-required data elements into CWS/CMS.

METHODOLOGY:

The costs for each component are calculated by multiplying the number of projected cases by the social worker time, then by the hourly social worker cost. The total cost is calculated by summing the costs for each of the five components.

FUNDING:

Federal funding for the 49 counties is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the 50 percent administration rate for those cases meeting federal eligibility criteria. Federal funding for training is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the 75 percent enhanced training rate for those cases meeting federal eligibility criteria.

The responsibility for child welfare and protective services was realigned to the counties in 2011 as part of 2011 Public Safety Realignment. Pursuant to Proposition 30, subsequent changes in federal statutes or regulations that alter the conditions under which federal matching funds as described in 2011 Realignment legislation are obtained, and have the overall effect of increasing the costs incurred by a local agency, require the state to annually fund 50 percent of the non-federal share of these costs as determined by the state. Only the GF and county share of funding is reflected for the nine Title IV-E Well-Being Project counties as the federal funds for the Project are capped.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Strengthening Families Act*

CHANGE FROM GOVERNOR'S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 increase reflects additional social worker time and activities associated with additional components to comply with federal law.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000s)

FY 2014-15

Strengthening Families Act	Total	Federal	State	County	Reimb.
Item 151 – CWS Administration	\$0	\$0	\$0	\$0	\$0
Item 153 – Title IV-E Project	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$0

FY 2015-16

Strengthening Families Act	Total	Federal	State	County	Reimb.
Item 151 – CWS Administration	\$6,528	\$2,252	\$2,138	\$2,138	\$0
Item 153 – Title IV-E Project	4,770	0	2,385	2,385	0
Total	\$11,298	\$2,252	\$4,523	\$4,523	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Performance Data on Psychotropic Medication *

DESCRIPTION:

This premise seeks to establish a contract to match Medi-Cal data with foster care data at regular intervals. This data match is a new effort to meet federal requirements under PL 112-34. There is currently insufficient capacity at DHCS and CDSS to produce needed data at the intervals required by federal regulations.

Federal requirements mandate that a state's health care oversight plan include an outline of protocols for the appropriate use and monitoring of psychotropic medications. To meet the federal requirements, California has engaged with DHCS and stakeholders to develop guidelines, protocols and educational materials. The CDSS and DHCS have conducted cross-system data matching to inform policy decisions for effective oversight and monitoring. The contract will allow for data analysis, including case specific information and for the case specific information to be shared with counties. Counties will use the information to improve administration and oversight of psychotropic medications at the local level.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2015.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: PL 112-34.
- The projected contract cost is \$100,000 GF.
- The percent of federally eligible costs is 66 percent in FY 2015-16 for the 58-county estimate.

METHODOLOGY:

The total contract cost is calculated by summing the GF amount with the projected FFP.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the 50 percent administration rate for those cases meeting federal eligibility criteria. Funding for the remaining non-federal costs is 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

This new premise implements in FY 2015-16.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Performance Data on Psychotropic Medication *

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
Performance Data on Psychotropic Medication	\$0	\$0	\$0	\$0	\$0

FY 2015-16

Item 151 – CWS Administration	Total	Federal	State	County	Reimb.
Performance Data on Psychotropic Medication	\$149	\$49	\$100	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Office of Child Abuse Prevention (OCAP) Federal Grants*

DESCRIPTION:

This premise reflects the federal grants associated with assisting local and private agencies in the development and strengthening of neglect prevention for child abuse and treatment programs. These federal CAPTA grants consist of Title I (General Program) and Title II (CBCAP) of the Social Security Act, which was formerly known as the Community-Based Family Resource and Support grant. The remaining federal grants consist of CAPIT and the Preventing and Addressing Child Trafficking CSEC fund.

IMPLEMENTATION DATE:

The CAPTA implemented on January 31, 1974. The CBCAP implemented on October 12, 1984. The Preventing and Addressing Child Trafficking CSEC fund implemented on October 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: PL 93-247, PL 98-473 and PL 111-320, W&IC sections 18958 and 18960-18964.
- Project funding is contingent upon continued receipt of federal grant awards.
- The CAPTA federal grants have a limit of four years to fully expend the annual grant. This allows states flexibility in the use and support of multi-year projects.

METHODOLOGY:

- Counties will spend \$3.6 million CAPTA Title I funds in FY 2014-15 and \$4.2 million in FY 2015-16.
- Counties will spend \$2.4 million CBCAP funds in FY 2014-15 and \$3.0 million in FY 2015-16.
- Counties will spend \$250,000 Preventing and Addressing Child Trafficking CSEC funds in FY 2014-15 and FY 2015-16.
- For more information on CAPIT funds, refer to the 2011 Realignment tab.

FUNDING:

Funding for these projects is 100 percent federal grant funds. The CBCAP grant requires matching funds provided from a portion of 2011 Realignment. For more information, refer to the 2011 Realignment tab.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 decrease reflects updated CAPTA funds and updated spending plans. The FY 2015-16 decrease reflects the updated spending plan.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Office of Child Abuse Prevention (OCAP) Federal Grants*

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects the updated spending plan.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – Child Abuse Prevention Program Administration	Total	Federal	State	County	Reimb.
Federal Grants	\$6,202	\$6,202	\$0	\$0	\$0

FY 2015-16

Item 151 – Child Abuse Prevention Program Administration	Total	Federal	State	County	Reimb.
Federal Grants	\$7,538	\$7,538	\$0	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

State Children’s Trust Fund Program ^{*}

DESCRIPTION:

This premise reflects the revenue generated from California birth certificate surcharges, specialty license plate revenue and private donations available for the State Children’s Trust Fund in California. The State Children’s Trust Fund is used to research, evaluate and disseminate information to the public, to establish public and 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. Project funding is awarded through proposals submitted to CDSS OCAP.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1984.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 18969.
- The project funding available is \$995,000 for FY 2014-15 and \$750,000 for FY 2015-16.

METHODOLOGY:

This premise reflects the current funding available for the State Children’s Trust Fund, as provided by OCAP.

FUNDING:

This program is funded 100 percent GF.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects the updated spending plan for the State Children’s Trust Fund.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 151 – Child Abuse Prevention Program Administration	Total	Federal	State	County	Reimb.
State Children’s Trust Fund Program	\$995	\$0	\$995	\$0	\$0

**Please refer to the first tab titled “[Acronyms](#)” for a full description of acronyms.*

State Children's Trust Fund Program^{*}

EXPENDITURES (CONTINUED):

(in 000s)

FY 2015-16

Item 151 – Child Abuse Prevention Program Administration	Total	Federal	State	County	Reimb.
State Children's Trust Fund Program	\$750	\$0	\$750	\$0	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

APS Contract for Training Curriculum^{*}

DESCRIPTION:

This premise reflects the cost of a multi-year contract with a qualified institution, agency or consultant to provide training and staff development for county APS and allied staff. The contractor will present the training curriculum to all APS workers, which includes scheduling and arranging training in all regions of the state, producing all required training materials, periodically updating the curriculum and its content to reflect changes to APS laws, policies and practices and providing updated training to APS workers.

The purpose of the training is to educate county APS workers on APS program standards, requirements and mandates. 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 with W&IC section 15600.
- The annual contract cost for ongoing training activities is estimated to be \$176,000.

METHODOLOGY:

The funding for this premise reflects the amount of the contract.

FUNDING:

Federal funding is provided by Title XIX of the Social Security Act. The federal Title XIX reimbursement represents 50 percent of the total funds. The non-federal share is 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

APS Contract for Training Curriculum*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – APS	Total	Federal	State	County	Reimb.
APS Contract for Training Curriculum	\$176	\$0	\$88	\$0	\$88

FY 2015-16

Item 151 – APS	Total	Federal	State	County	Reimb.
APS Contract for Training Curriculum	\$176	\$0	\$88	\$0	\$88

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CCL – Foster Family Homes^{*}

DESCRIPTION:

This premise reflects the costs of providing basic funding for foster family home licensing and recruitment services. Services include on-site visits, reviewing and monitoring all foster family home related activities as specified in the CCL's Evaluator Manual. Foster family home is defined as any residential facility providing 24 hour care for six or fewer foster children that is owned, leased or rented and is the residence of the foster parent or parents. This includes their family, in whose care the foster children have been placed. Up to eight children may be cared for if additional requirements are met.

The Target Visit protocol streamlines 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.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1500 through 1519 and 1596.82.
- There are 39 counties providing foster family home licensing and recruitment services. The remaining 19 counties are licensed by CDSS' CCL Division.
- In addition to the Target Visit protocol, counties are required to complete a 30 percent random sample of the remaining facilities which are subject to announced annual visits. Counties are funded to conduct 100 percent of annual visits.
- The workload standard used to determine FTEs for targeted visits is 120 cases a year per worker.
- The worker to supervisor ratio used to determine the total number of FTEs is 6.25:1.
- The annual statewide unit cost for a CCL foster family home Licensing Program Analyst is \$125,663.
- The projected caseload is 6,567 for FY 2014-15 and 6,100 for FY 2015-16.
- The recruitment-only amount is held at the FY 2005-06 funding level of \$877,764 total funds.
- Title IV-E funds are budgeted in FY 2014-15 for \$3.1 million and \$4.9 million for FY 2015-16 to reflect appropriate levels of federal spending authority.
- The *Greshner v. Anderson* court case reflects funding in the amount of \$27,000 GF for FY 2014-15 and FY 2015-16, which requires notification to applicants of conviction information received and a summary of reasons for denial.
- The sharing ratio for the remaining funds for FY 2014-15 is 33.43 percent federal funds and 66.57 percent GF based on actual expenditure data from calendar year 2013. The sharing ratio for the remaining funds for FY 2015-16 is 33.09 percent federal funds and 66.91 percent GF based on actual expenditure data from calendar year 2014.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

CCL – Foster Family Homes *

METHODOLOGY:

The estimate is developed by dividing the caseload by the workload standards to derive the number of non-supervisory FTEs, which is then expanded to include supervisors to determine the total number of FTEs. The total number of FTEs is then multiplied by the Licensing Program Analyst unit cost. Cost for the recruitment-only allocation, additional federal spending authority and *Gresher v. Anderson* costs are then added.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the sharing ratios for those cases meeting federal eligibility criteria. Funding for the remaining non-federal costs is 100 percent GF. Additional federal spending authority is included based on actual expenditures.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 decrease reflects a decrease in caseload, offset by additional federal overmatch authority.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects additional federal overmatch authority, offset by a decrease in caseload.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>			
Item 151 – CCL Administration	Total	Federal	State	County	Reimb.
Foster Family Homes	\$11,955	\$6,120	\$5,835	\$0	\$0
		<u>FY 2015-16</u>			
Item 151 – CCL Administration	Total	Federal	State	County	Reimb.
Foster Family Homes	\$13,178	\$7,694	\$5,484	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CCL – Family Child Care Homes *

DESCRIPTION:

This premise reflects the costs of providing basic funding for family child care home licensing services. Services include on-site visits, reviewing and monitoring all family child care home related activities as specified in the CCL's Evaluator Manual. The family child care home licensees are required to report any injury to a child requiring medical treatment, the death of any child, any unusual incident or child absence that threatens the physical, emotional health or safety of any child while in the care of the licensee. Family child care homes provide regular care, protection and supervision of children, in the caregiver's own home, for periods of less than 24 hours per day, while the parents or authorized representatives are away. Small family child care homes may provide care for up to six children and large family child care homes may provide care for up to 12 children. More children may be cared for if additional requirements are met.

The Target Visit protocol focuses on licensed care 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.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1500 through 1519, 1596.82, 1597.44 and 1597.465.
- Del Norte and Inyo Counties provide family child care home licensing services. The remaining 56 counties are licensed by CDSS' CCL Division.
- In addition to the Target Visit protocol, counties are required to complete a 30 percent random sample of the remaining facilities which are subject to unannounced annual visits. Counties are funded to conduct 100 percent of annual visits.
- The projected caseload is 52 for FY 2014-15 and 59 for FY 2015-16.
- The workload standard used to determine FTEs for targeted monitoring visits is 257 cases per Licensing Program Analyst worker.
- The worker to supervisor ratio used to determine FTEs is 6.25:1.
- The annual statewide unit cost of a CCL family child care home Licensing Program Analyst is \$117,885.
- The Serious Incident Reporting reflects funding in the amount of \$525 GF for FY 2014-15 and FY 2015-16, which fulfills the reporting requirements for any injury requiring medical treatment, death, absence or unusual incident that threatens any child in the care of the licensee of a family child care home.
- The *Gresher v. Anderson* court case reflects funding in the amount of \$460 GF for FY 2014-15 and FY 2015-16, which requires notification to applicants of conviction information received and a summary of reasons for denial.
- In FY 2014-15 and FY 2015-16, reimbursement from CDE in the amount of \$13,000 is included to cover a portion of comprehensive site visit costs.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CCL – Family Child Care Homes *

METHODOLOGY:

The estimate is developed by dividing the caseload by the workload standard to determine the number of non-supervisory FTEs, which is then expanded to include supervisors to derive the total number of FTEs. The average statewide unit cost is then multiplied by the total FTEs. Costs for the Serious Incident Reporting and *Gresham v. Anderson* are then added.

FUNDING:

The funding includes reimbursements from CDE (from the federal Child Care Development Fund block grant) to cover a portion of the costs of conducting comprehensive site visits. The remaining costs are 100 percent GF.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change in FY 2014-15 and FY 2015-16.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects an increase in caseload.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>				
Item 151 – CCL Administration	Total	Federal	State	County	Reimb.	
Family Child Care Homes	\$30	\$0	\$17	\$0	\$13	
		<u>FY 2015-16</u>				
Item 151 – CCL Administration	Total	Federal	State	County	Reimb.	
Family Child Care Homes	\$32	\$0	\$19	\$0	\$13	

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Adam Walsh Child Protection and Safety Act of 2006*

DESCRIPTION:

This premise reflects the costs of the Adam Walsh Child Protection and Safety Act of 2006. States are required to check child abuse and neglect registries in each state in which prospective foster or adoptive parents, relative caregivers or non-relative extended family members (as well as other adults in the home) have resided in for 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.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statutes: PL 109-248, Family Code sections 7901.1 and 7906.5, Health and Safety Code section 1522.1 and Penal Code section 11170.
- The total number of prospective foster family homes reviewed in FY 2014-15 is 1,291 and is based on new licensing activity for calendar year 2013. The total number of prospective foster family homes reviewed in FY 2015-16 is 1,241 based on new licensing activity for calendar year 2014.
- An average of 2.5 persons in the home will require a child abuse and neglect registry check in another state.
- A total of 3,228 out-of-state registry checks will be performed in FY 2014-15 and 3,102 in FY 2015-16.
- 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.
- Licensing workers will spend one hour per registry check for those seeking home approvals without a hit for a history of child abuse and neglect. However, when information from other states indicates a history of child abuse and neglect, eight hours of licensing worker time will be required to investigate and review the facts of the case.
- The sharing ratio for FY 2014-15 is 33.43 percent federal funds and 66.57 percent GF based on actual expenditures from calendar year 2013.
- The sharing ratio for FY 2015-16 is 33.09 percent federal funds and 66.91 percent GF based on actual expenditures from calendar year 2014.
- The hourly cost of a licensing worker is \$70.68.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Adam Walsh Child Protection and Safety Act of 2006*

METHODOLOGY:

The total costs are calculated by multiplying the number of hours to complete all registry checks by the hourly cost of a licensing worker.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act. Funding for the remaining costs is 100 percent GF. The funding for the CWS and Adoptions programs portion are included in the 2011 Realignment tab.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 decrease reflects a decrease in foster family homes.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a decrease in foster family homes.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 151 – CCL Administration	Total	Federal	State	County	Reimb.
Adam Walsh Child Protection and Safety Act of 2006	\$39	\$13	\$26	\$0	\$0
	<u>FY 2015-16</u>				
Item 151 – CCL Administration	Total	Federal	State	County	Reimb.
Adam Walsh Child Protection and Safety Act of 2006	\$37	\$12	\$25	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Resource Family Approval Program*

DESCRIPTION:

This premise reflects the CCL savings associated with implementing a three-year program in five early implementation counties to establish a single, comprehensive Resource Family Approval process. This process replaces and streamlines existing procedures that involve separate activities for licensing foster family homes and approving relatives, non-relative extended family members and adoptive families.

IMPLEMENTATION DATE:

This premise implemented in San Luis Obispo County on November 1, 2013, Kings County on January 15, 2014, Santa Barbara County on March 1, 2014, Santa Clara County on July 31, 2014, and San Francisco County on August 1, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 16519 and 16519.5.
- The estimate reflects the savings for the five early implementation counties.
- Savings are created from eliminating duplicate processes for approvals and background checks and eliminating secondary placements for foster family home cases as placements are more stable.
- Based on actual data from FY 2012-13, 123 foster family home cases are projected to undergo the home approval process for the five early implementation counties in FY 2014-15.
- Based on actual data from FY 2013-14, 99 foster family home cases are projected to undergo the home approval process for the five early implementation counties in FY 2015-16.
- The number of hours to perform a foster family home approval is 15.47 hours.
- The hourly cost of a licensing worker is \$70.68.

METHODOLOGY:

The CCL savings are calculated by multiplying the projected number of foster family home cases to undergo the home approval process by the number of hours to perform a foster family home approval, multiplied by the hourly licensing worker cost.

FUNDING:

Savings are shared based on actual foster family home sharing ratios of the five early implementation counties. For FY 2015-16, these ratios are 34.55 percent federal funds and 65.45 percent GF.

The funding for the CWS and Adoptions programs portion of this estimate is included in the 2011 Realignment tab.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Resource Family Approval Program*

CHANGE FROM GOVERNOR’S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 decrease reflects updated sharing ratios.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in savings reflects fewer foster family home approvals.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – CCL Administration	Total	Federal	State	County	Reimb.
Resource Family Approval Program	-\$135	-\$48	-\$87	\$0	\$0

FY 2015-16

Item 151 – CCL Administration	Total	Federal	State	County	Reimb.
Resource Family Approval Program	-\$108	-\$37	-\$71	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Fee-Exempt Live Scan *

DESCRIPTION:

This premise reflects the costs for fingerprinting and search requirements associated with certain fee-exempt providers and the reimbursement cost for processing applications referred by CDE and licensed fee-exempt providers.

The CCL Division is responsible for processing the applications, contracting with DOJ and California Child Care Resource and Referral Network to process the fingerprint and index search file activities. The CCL Division also contracts with Sylvan/Indentix, a private vendor, for 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: W&IC section 11324 and Health and Safety Code section 1522.

METHODOLOGY:

Funding is suspended for FY 2014-15, and it is assumed funding will be suspended for FY 2015-16.

FUNDING:

This premise is funded with 100 percent GF.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>				
Item 151 – CCL Administration	Total	Federal	State	County	Reimb.	
Fee-Exempt Live Scan	\$0	\$0	\$0	\$0	\$0	
		<u>FY 2015-16</u>				
Item 151 – CCL Administration	Total	Federal	State	County	Reimb.	
Fee-Exempt Live Scan	\$0	\$0	\$0	\$0	\$0	

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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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 in prospective and approved licensed facilities and prospective and approved relative/non-relative extended family member homes.

On a monthly basis, CDSS' CCL Division compares transmitted DOJ registered sex offender files against CWS/CMS placement information for county-licensed foster family homes, family child care homes and county-approved relative and non-relative extended family member homes. The CWDs are responsible for investigating any address matches, with the exception of relatives and non-relative extended family member homes, for the 20 small counties, which are investigated by the CDSS CCL Division.

The CWDs also check all prospective licensure applicants and relative/non-relative extended family member homes against Megan's Law public website and investigate all address matches. When a match resulting from the annual or prospective check is verified, CWDs take appropriate action which may include licensure and placement denial, removal of children and finding a new placement and/or grievance reviews for relatives/non-relative extended family members.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code section 1511.
- For the annual registered sex offender check process, the foster family home caseload is 6,567 in FY 2014-15 and 6,100 in FY 2015-16.
- For the annual registered sex offender check process, the family child care home caseload is 52 in FY 2014-15 and 59 in FY 2015-16.
- For the application registered sex offender check process, 2,145 foster family home and 15 family child care home applications will be received in FY 2014-15 based on actual data from calendar year 2013.
- For the application registered sex offender check process, 1,982 foster family home and 17 family child care home applications will be received in FY 2015-16 based on actual data for calendar year 2014.
- The match rate for FY 2014-15 is 0.19 percent and FY 2015-16 is 0.69 percent based on the most recent monthly foster family home and family child care home registered sex offender summary reports.
- It will take a foster family home licensing worker 20 hours and a family child care home licensing worker 12 hours to investigate each address match.
- In FY 2014-15 and FY 2015-16, 19 percent of the matches will require administrative action.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Registered Sex Offender Check*

KEY DATA/ASSUMPTIONS (CONTINUED):

- It will take a foster family home licensing worker 14 hours and a family child care home licensing worker ten hours for each administrative action.
- For the application check process, it will take a licensing worker 20 minutes to check an address against Megan's Law public website.
- The hourly cost of a foster family home licensing worker is \$70.68. The hourly cost of a family child care home licensing worker is \$66.30.
- The foster family home sharing ratio for FY 2014-15 is 33.43 percent federal funds and 66.57 percent GF based on actual expenditures for calendar year 2013.
- The foster family home sharing ratio for FY 2015-16 is 33.09 percent federal funds and 66.91 percent GF based on actual expenditures for calendar year 2014.
- Family child care home costs do not receive FFP.

METHODOLOGY:

For total hours in investigating annual checks, the caseload is multiplied by the match rate and multiplied by the number of hours required per investigation. For total administrative hours, the number of administrative actions is multiplied by the number of hours required per action. All hours are then combined and multiplied by the hourly cost of a foster family home/family child care home licensing worker to obtain the total cost for annual checks.

For total hours in investigating applications, the number of applications is multiplied by the match rate and multiplied by the number of hours required per investigation. For total administrative hours, the number of administrative actions is multiplied by the number of hours required per action. Continue by taking the number of applications multiplied by the number of hours it will take to check an address against the Megan's Law public website. All hours are then combined and multiplied by the hourly cost of a foster family home/family child care home licensing worker to obtain the total cost for application checks.

FUNDING:

Federal funding for a foster family home is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the sharing ratios for those cases meeting federal eligibility criteria. Funding for the remaining non-federal foster family home costs is 100 percent GF.

The family child care home costs are 100 percent GF.

The funding for the CWS program portion of this premise is included in the 2011 Realignment tab.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change in FY 2014-15. The FY 2015-16 increase reflects an increase in the match rate and number of family child care homes, offset by fewer approved foster family home applications and a decrease in foster family home caseload.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Registered Sex Offender Check*

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects an increase in the match rate and number of family child care homes, offset by fewer approved foster family home applications and a decrease in foster family home caseload.

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – CCL Administration	Total	Federal	State	County	Reimb.
Registered Sex Offender Check	\$81	\$26	\$55	\$0	\$0

FY 2015-16

Item 151 – CCL Administration	Total	Federal	State	County	Reimb.
Registered Sex Offender Check	\$140	\$46	\$94	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Foster Care (FC) Burial*

DESCRIPTION:

This premise reflects costs of FC Burial program. The FC Burial costs are reimbursements provided to foster parents for the costs of a burial plot and funeral expenses for a child who was receiving FC benefits at the time of death.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11212.
- Reimbursements of up to \$5,000 per burial are provided.

METHODOLOGY:

Based on historical expenditure data, the estimated costs for FY 2014-15 and FY 2015-16 are held at the FY 1999-00 GF expenditure level of \$186,000.

FUNDING:

The FC Burial program is funded with 100 percent GF.

CHANGE FROM GOVERNOR’S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Item 151 – Special Programs Services	Total	Federal	State	County	Reimb.
FC Burial	\$186	\$0	\$186	\$0	\$0
	<u>FY 2015-16</u>				
Item 151 – Special Programs Services	Total	Federal	State	County	Reimb.
FC Burial	\$186	\$0	\$186	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

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Assistance Dog Special Allowance Program^{*}

DESCRIPTION:

This premise reflects the costs associated with providing a monthly dog food allowance to recipients of federal Social Security Disability Insurance, SSI/SSP and IHSS program participants who have incomes at or below the FPL. 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 statute: W&IC sections 12553 and 12554.
- Recipients will receive a dog food allowance of \$50 per month.
- The FY 2014-15 and FY 2015-16 estimates are based on year-to-date actual costs and projected caseload growth or the 2010-11 Governor's Budget level, whichever is higher.
- Based on projected cases, FY 2014-15 and FY 2015-16 estimates would be \$512,326 and \$520,889, respectively, which are lower than the 2010-11 Governor's Budget total cost of \$554,000.

METHODOLOGY:

The total costs are calculated by using the year-to-date actual costs and projected caseload growth or the 2010-11 Governor's Budget level, whichever is higher.

FUNDING:

This program is funded with 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Assistance Dog Special Allowance Program ^{*}

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – Special Programs Services	Total	Federal	State	County	Reimb.
Assistance Dog Special Allowance Program	\$554	\$0	\$554	\$0	\$0

FY 2015-16

Item 151 – Special Programs Services	Total	Federal	State	County	Reimb.
Assistance Dog Special Allowance Program	\$554	\$0	\$554	\$0	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Access Assistance/Deaf Access Program^{*}

DESCRIPTION:

This premise reflects the costs associated with the Access Assistance/Deaf Access Program. Assistance under this program enables deaf and hearing-impaired persons to access needed social and community services, e.g., employment services, counseling, interpreting services, deafness education and advocacy. In addition, this premise reflects savings from reducing Access Assistance/Deaf Access Program costs by ten percent, effective July 1, 2008.

IMPLEMENTATION DATE:

The Access Assistance/Deaf Access Program implemented in 1980. The ten percent reduction implemented July 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 10621.
- Currently, eight regional contractors provide services to individuals that are hard of hearing.
- Services will be provided to 172,824 deaf and hearing impaired Californians in FY 2014-15 and 165,183 in FY 2015-16.
- In FY 2014-15 and FY 2015-16, the program will be funded with \$2.5 million in Title XX funds, which offsets GF costs by that same amount.

METHODOLOGY:

Basic costs were established through the Budget Act of 1999. The GF amount is held at this level and the Title XX funding is reduced due to federal sequestration. The estimated savings reflects a ten percent reduction consistent with FY 1998-99, which is applied to the Access Assistance/Deaf Access Program - Basic Costs table line and corresponding Title XX Funding budget line.

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. The savings for this premise reflects a ten percent reduction to the GF and the Title XX block grant.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Access Assistance/Deaf Access Program^{*}

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – Special Programs Services	Total	Federal	State	County	Reimb.
Access Assistance/Deaf Access Program – Basic Costs	\$5,308	\$0	\$5,308	\$0	\$0
Access Assistance/Deaf Access Program – Title XX Funding	0	2,500	-2,500	0	0
Access Assistance/Deaf Access Program – Reduce Services by Ten Percent	-531	-250	-281	0	0
Total	\$4,777	\$2,250	\$2,527	\$0	\$0

FY 2015-16

Item 151 – Special Programs Services	Total	Federal	State	County	Reimb.
Access Assistance/Deaf Access Program – Basic Costs	\$5,308	\$0	\$5,308	\$0	\$0
Access Assistance/Deaf Access Program – Title XX Funding	0	2,500	-2,500	0	0
Access Assistance/Deaf Access Program – Reduce Services by Ten Percent	-531	-250	-281	0	0
Total	\$4,777	\$2,250	\$2,527	\$0	\$0

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Title XX Funding*

DESCRIPTION:

This premise reflects the Title XX Social Services Block Grant awarded to the state as well as TANF funds transferred to Title XX. In order to qualify for these funds, a state must prepare an expenditure plan prior to the start of the FY 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 and 5) securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions.

IMPLEMENTATION DATE:

This federal funding source has been given to states for social services since October 1981. Through FY 1992-93, Title XX funds were used exclusively to fund the IHSS program. With the implementation of Title XIX PCSP in 1993, a portion of Title XX funds were shifted to other eligible programs. Those funds now support the Deaf Access Program (goals 1 and 2), FC services (goal 3) and CWS (goals 3 and 4).

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 13000 through 13008 and the federal Omnibus Budget Reconciliation Act of 1981.
- State legislation and federal regulations permit Title XX funds to be used in FC and CWS to supplant the non-federal share.

Title XX Grant

- The local assistance portion of the Title XX Social Services Block Grant awarded to California is \$138.8 million for both FFY 2013 and FFY 2014. The FFY awards are adjusted to conform to FY funding needs.
- In the Deaf Access Program, \$2.5 million in Title XX grant funds for both FY 2014-15 and FY 2015-16 will reduce the 100 percent GF share.
- The Title XX grant transferred to DDS is \$136.3 million in both FY 2014-15 and FY 2015-16.

TANF Transfer to Title XX

- The amount of TANF funds transferred to Title XX is 10 percent of the TANF block grant less the TANF needed for Tribal TANF.
- The amount of TANF funds transferred to Title XX is \$365.4 million in FY 2014-15 and \$365.1 million in FY 2015-16.
- In FY 2014-15 and FY 2015-16, \$10.0 million of TANF funds are transferred to Title XX for CDE's child care programs to broaden access to Child and Adult Care Food Program benefits for low-income children in proprietary child care centers.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Title XX Funding^{*}

KEY DATA/ASSUMPTIONS (CONTINUED):

- The total TANF funds transferred to Title XX for Stage One Child Care is \$163.2 million in FY 2014-15 and \$160.0 million in FY 2015-16.
- The total TANF funds transferred to Title XX for the Continuum of Care Reform is \$3.0 million in FY 2015-16. This funding is needed for the federal share of the Foster Family Agency Social Worker rate increase for the nine Title IV-E Well-Being Project counties, as their Title IV-E funding is capped.
- The remaining TANF transfer to Title XX is used for FC, CWS and DDS programs, totaling \$192.1 million in FY 2014-15 and \$195.1 million in FY 2015-16.

METHODOLOGY:

The estimate reflects the local assistance portion of the Title XX Social Services Block Grant and the TANF transfer to Title XX.

FUNDING:

This funding is provided under Title XX of the federal Social Security Act and does not require a state or county match. The funding for the FC and CWS programs portion of this estimate is included in the 2011 Realignment tab. The TANF transfer to Title XX funding is federal funds converted from the TANF Block Grant to the Social Services Block Grant to be used as Title XX funds.

CHANGE FROM GOVERNOR'S BUDGET:

The decrease in the local assistance portion of the Title XX Social Services Block Grant in both FY 2014-15 and FY 2015-16 reflects decreased funding for the Deaf Access program.

The increase in the TANF transfer to Title XX reflects a decrease in Tribal TANF costs. In FY 2014-15 this results in more TANF shifted to Title XX for Stage One Child Care. The FY 2015-16 decrease in TANF shifted to Title XX for Stage One Child Care is due to Title XX funding being used for the Continuum of Care Reform in FY 2015-16, which results in less funding remaining for Stage One Child Care.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the local assistance portion of the Title XX Social Services Block Grant reflects a decrease in funds for DDS Regional Centers.

The decrease in the TANF transfer to Title XX in FY 2015-16 reflects an increase in Tribal TANF costs resulting in less TANF to shift to Title XX for Stage One Child Care. The decrease in Title XX funding for Stage One Child Care is due to Title XX funding being used for the Continuum of Care Reform in FY 2015-16, which results in less funding remaining for Stage One Child Care.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

Title XX Funding***EXPENDITURES:**

(in 000s)

	<u>FY 2014-15</u>
Total Title XX Funding	Federal Funds
Title XX Grant	\$138,800
TANF Transfer to Title XX	365,353
Title XX Grant	
Item 151 – CWS Grant Transfer to DDS	\$136,300
Item 151 – Deaf Access (Access Assistance/Deaf Access Program) Grant**	2,500
TANF Transfer to Title XX	
Item 101 – FC TANF Transfer**	\$23,621
Item 153 – Title IV-E California Well-Being Project TANF Transfer**	28,155
Item 151 – CWS TANF Transfer to DDS	77,157
Item 151 – CWS TANF Transfer**	29,978
Item 153 – Title IV-E California Well-Being Project TANF Transfer**	33,208
Item 101 – Continuum of Care Reform Transfer	0
Item 153 – Continuum of Care Reform Transfer	0
Item 101 – CalWORKs Stage One Child Care	163,234
	<u>FY 2015-16</u>
Total Title XX Funding	Federal Funds
Title XX Grant	\$138,763
TANF Transfer to Title XX	365,073
Title XX Grant	
Item 151 – CWS Grant Transfer to DDS	\$136,263
Item 151 – Deaf Access (Access Assistance/Deaf Access Program) Grant**	2,500
TANF Transfer to Title XX	
Item 101 – FC TANF Transfer**	\$21,394
Item 153 – Title IV-E California Well-Being Project TANF Transfer**	30,382
Item 151 – CWS TANF Transfer to DDS	77,157
Item 151 – CWS TANF Transfer**	26,958
Item 153 – Title IV-E California Well-Being Project TANF Transfer**	36,228
Item 101 – Continuum of Care Reform Transfer	1,581
Item 153 – Continuum of Care Reform Transfer	1,370
Item 101 – CalWORKs Stage One Child Care	160,003

**Detail Table Line also includes a corresponding decrease in GF.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

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Legal Counsel for Unaccompanied Undocumented Minors*

DESCRIPTION:

This premise reflects the cost to provide legal services to unaccompanied undocumented minors in California. Per statute, funding is awarded to qualified nonprofit legal services organizations to provide legal services to eligible unaccompanied undocumented minors. These minors must be present in California and reside with a sponsor or are under the care and custody of the federal Office of Refugee Resettlement. Legal representation for these minors is important to assist them in the filing of, preparation for and representation in administrative and/or judicial proceedings for the following immigration statuses: asylum, T-Visa, U-Visa and/or Special Immigrant Juvenile status. The legal services include culturally and linguistically appropriate services provided by attorneys, paralegals, interpreters and other support staff for state court proceedings, federal immigration proceedings and any appeals arising from those proceedings.

IMPLEMENTATION DATE:

This premise implemented on September 27, 2014.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 13300.
- The Budget Act of 2014 includes \$3.0 million GF to provide legal services for unaccompanied undocumented minors.
- For FY 2015-16, \$3.0 million GF is budgeted to provide legal services for unaccompanied undocumented minors.
- Of the \$3.0 million, \$100,000 will be used for State Operations costs to implement the program.

METHODOLOGY:

The cost is calculated by taking the Budget Act of 2014 amount less the State Operations costs.

FUNDING:

This premise is funded with 100 percent GF.

CHANGE FROM GOVERNOR'S BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Legal Counsel for Unaccompanied Undocumented Minors*

EXPENDITURES:

(in 000s)

FY 2014-15

Item 151 – Special Programs	Total	Federal	State	County	Reimb.
Legal Counsel for Unaccomp/Undoc. Minors	\$2,900	\$0	\$2,900	\$0	\$0

FY 2015-16

Item 151 – Special Programs	Total	Federal	State	County	Reimb.
Legal Counsel for Unaccomp/Undoc. Minors	\$2,900	\$0	\$2,900	\$0	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Non-MOE Long-Term Sanction^{*}

DESCRIPTION:

This premise reflects the shift of funds for CalWORKs cases with a certain unaided, but federally work-eligible, adult from TANF and MOE GF (GF counted toward the state's TANF MOE requirement) to non-MOE GF. AUs that have been in sanction status due to failing or refusing to comply with WTW program requirements without good cause for 12 consecutive months or longer are included in this funding shift. These CalWORKs cases are solely state-funded and removed from the TANF WPR calculation. See the CalWORKs Non-MOE premise for information regarding the funding shift for Safety Net and Felon cases.

IMPLEMENTATION DATE:

This premise implemented on March 1, 2015.

KEY DATA/ASSUMPTIONS:

- Reflects AUs that include an adult who has been sanctioned due to failing or refusing to comply with WTW program requirements and do not have good cause for 12 consecutive months or longer.
- Based on SAWS Consortia data from 2006 through 2014, the average monthly caseload in long-term sanction status is estimated to be 14,550 in FY 2014-15 and FY 2015-16.
- The administrative cost per case is \$27.13 per month in both FY 2014-15 and FY 2015-16.
- The monthly grant cost per case is the MAP for an AU of 2, \$542.00 in March 2015 and \$569.00 starting April 1, 2015.
- The employment services cost per case is \$382.37 per month.
- There is no Stage One Child Care impact included since it is assumed that these cases are not participating in any activity.
- Child support is fully passed through to families impacted by this funding change. Child support received by the families should be reported as unearned income based on the reasonable anticipation of the payments.

METHODOLOGY:

The estimated MOE shift is the sum of the monthly administrative, grant, and employment services cost per case multiplied by the average monthly caseload and by the number of months of impact.

FUNDING:

Assistance costs are funded with 97.5 percent non-MOE GF and 2.5 percent county funds not countable towards the state's MOE requirement. Administrative and employment services costs are funded with 100 percent non-MOE GF.

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

CalWORKs Non-MOE Long-Term Sanction^{*}

CHANGE FROM GOVERNOR’S BUDGET:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects a full year of implementation.

EXPENDITURES:

(in 000s)

		<u>FY 2014-15</u>				
Non-TANF/MOE Eligible Expenditures	Total	Federal	State	County	Reimb.	
CalWORKs Non-MOE Long-Term Sanction	-\$56,556	\$0	-\$55,731	-\$825	\$0	
		<u>FY 2015-16</u>				
Non-TANF/MOE Eligible Expenditures	Total	Federal	State	County	Reimb.	
CalWORKs Non-MOE Long-Term Sanction	-\$170,846	\$0	-\$168,348	-\$2,498	\$0	

**Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.*

CalWORKs Non-MOE*

DESCRIPTION:

This premise reflects the shift of funds for CalWORKs cases with a certain unaided, but federally work-eligible, adult from MOE GF (GF counted toward the state's TANF MOE requirement) to non-MOE GF. These CalWORKs cases are solely state-funded and removed from the TANF WPR calculation.

IMPLEMENTATION DATE:

This premise implemented on December 1, 2013, for C-IV counties and on April 1, 2014, for CalWIN and LEADER counties.

KEY DATA/ASSUMPTIONS:

- Cases that will no longer be funded with MOE GF are AUs that include an unaided adult who is either an adult who has exceeded the CalWORKs 48-month time limit (Safety Net) or a drug or fleeing felon.
- Effective April 1, 2015, AUs that include an unaided drug felon adult will shift out of the CalWORKs Non-MOE funding designation; see the Drug Felon Eligibility premise for more details.
- The average monthly caseload impacted by this premise is estimated to be 79,327 in FY 2014-15 and 76,176 cases in FY 2015-16.
- The administrative cost is projected at \$24.96 per case per month in both FY 2014-15 and FY 2015-16.
- The standard grant costs for the Safety Net and drug and fleeing felon caseload is estimated at \$416.56 through March 30, 2015 and \$437.39 after April 1, 2015.
- Child support is fully passed through to families impacted by this policy change. Child support received by the families should be reported as unearned income based on the reasonable anticipation of the payments.
- The employment services costs are projected at approximately \$3.68 million in FY 2014-15 and \$4.30 million in FY 2015-16. The monthly Stage One Child Care costs are estimated at \$1.84 million in FY 2014-15 and \$1.87 million in FY 2015-16. Both assumptions are consistent with the methodology for funding services and child care for Safety Net cases. For more information about the methodology for these estimates, see the CalWORKs Employment Services and/or CalWORKs Child Care – Stage One Services and Administration premises.

METHODOLOGY:

The estimated MOE shift is the sum of the monthly administrative and grant costs multiplied by the average monthly safety net and felon caseload and by the number of months of impact. Employment services and child care costs are equivalent to the costs budgeted for impacted Safety Net cases within the specific premises listed in the Key Data/Assumptions section above.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

CalWORKs Non-MOE*

FUNDING:

Assistance costs are funded with 97.5 percent non-MOE GF and 2.5 percent county funds not countable towards the state's MOE requirement. Administrative, employment services and child care costs are funded with 100 percent non-MOE GF.

CHANGE FROM GOVERNOR'S BUDGET:

The FY 2014-15 and FY 2015-16 increase in the funding shift from MOE to non-MOE reflects a higher projected caseload and higher employment services costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the funding shift from MOE to non-MOE reflects a lower caseload projection in FY 2015-16 partially due to a full year of shifting drug felons out of the non-MOE caseload.

EXPENDITURES:

(in 000s)

	<u>FY 2014-15</u>				
Non-TANF/MOE Eligible Expenditures	Total	Federal	State	County	Reimb.
CalWORKs Non-MOE	-\$430,575	\$0	-\$420,543	-\$10,032	\$0
	<u>FY 2015-16</u>				
Non-TANF/MOE Eligible Expenditures	Total	Federal	State	County	Reimb.
CalWORKs Non-MOE	-\$428,810	\$0	-\$418,814	-\$9,996	\$0

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Cost-of-Doing-Business*

DESCRIPTION:

This premise reflects the provision contained in W&IC section 10507 which requires CDSS to estimate the costs for county administration using a county-specific survey.

The statute requires CDSS to develop, in consultation with CWDA, a survey process to collect reasonable county specific cost data. Due to the implementation of 2011 Realignment, and in consultation with CWDA, the Cost-of-Doing-Business survey information has been held to the 2011 May Revision figures.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

Authorizing statute: W&IC section 10507.

METHODOLOGY:

The CDSS has suspended the survey process since FY 2012-13.

This premise reflects the estimated difference between the raw data as reported on the counties' Cost-of-Doing-Business survey in 2011 May Revision process and the proposed funding levels for FY 2015-16.

FUNDING:

Funding will vary depending on program area.

CHANGE FROM GOVERNOR'S BUDGET:

Cost-of-Doing-Business data is only displayed in the May Revision process. The FY 2015-16 estimated difference between the data as reported by the counties' cost-doing-business survey in 2011 May Revision and the proposed funding levels is inclusive of each program's associated premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2015-16 estimate is based on the data as reported in the cost-of-doing-business survey submitted by the counties in the 2011 May Revision process. Year-to-year changes are primarily due to the impact of changes in caseload and county staffing.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.

Cost-of-Doing-Business*2011 May County Request vs. 2015 May Budget
(Dollars in thousands)

<u>FY 2015-16</u>	<u>TOTAL</u>	<u>FEDERAL</u>	<u>STATE/ TANF</u>	<u>COUNTY</u>	<u>REIMB (Title XIX)</u>
CalWORKS-Admin	\$323,136	\$0	\$323,136	\$0	\$0
CalWORKS-EmpSvcs	-\$66,009	-\$0	-\$66,009	\$0	\$0
CalFresh Admin	-\$427,079	-\$192,292	-\$185,030	-\$49,757	\$0
NET DIFFERENCE	-\$169,952	-\$192,292	\$72,097	-\$49,757	\$0

Note: Costs reflect the statewide difference between the data as reported in the county surveys and the proposed funding levels.

*Please refer to the first tab titled "[Acronyms](#)" for a full description of acronyms.