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General Fund Maintenance of Effort Adjustment

DESCRIPTION:

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the Temporary Assistance for Needy Families (TANF) program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2007-08, an adjustment has been made to reflect that California met the federal work participation rate (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program in Federal Fiscal Year (FFY) 2006. California is not expected to meet the federal WPR in FFY 2007 and FFY 2008. When the state meets this rate, the Maintenance of Effort (MOE) level falls from 80 percent to 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.8 billion in FY 2008-09 and FY 2009-10.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1996.

METHODOLOGY:

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

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

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

FUNDING:

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

General Fund Maintenance of Effort Adjustment

CHANGE FROM THE APPROPRIATION:

The increase in the CY is due to a decrease in GF spending in the CalWORKs program, (primarily due to caseload decrease and the delay in the shift of funds for the TANF hardship cases), Tribal TANF and the Kinship Guardianship Assistance Payment program.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the BY reflects the net result of a decrease in GF spending in the CalWORKs program due to the elimination of the Recent Non-Citizen Program, an increase due to the shift of funds for TANF hardship cases, an increase in the Safety Net Caseload and an increase in Tribal TANF.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	Grant	Grant
Total	$0	$0
Federal	-941,138	-920,411
State	941,138	920,411
County	0	0
Reimbursements	0	0

Two-Parent Families

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on October 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10553.
- The grant costs for two-parent families are based on the percentage of two-parent families in the Current Year (CY) and the Budget Year (BY) caseload projections.
- The employment services and Stage One child care costs for two-parent families are based on the most recent information.
- The ratio for two-parents participating in the CalWORKs Mental Health program is 12.56 percent and 14.99 percent in the Substance Abuse program and is based on the most recent CalWORKs Welfare-To-Work Monthly Activity Report (WtW 25/25A) caseload information.

METHODOLOGY:

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

FUNDING:

- CalWORKs grants for two-parent families are funded 97.5 percent TANF and 2.5 percent county funds.
- Administration and employment services are funded with 100 percent TANF.
- Child care is funded with 100 percent GF.

Two-Parent Families

CHANGE FROM THE APPROPRATION:

- The CY decrease for CalWORKs grant costs is due to budget reductions and a lower CalWORKs projected caseload than used in the Appropriation.
- The CY services costs decrease is due to budget reductions to employment services.
- The CY administrative costs decrease is due to a lower ratio of two-parent expenditures to the overall CalWORKs expenditures than used in the Appropriation. The CY increase in child care costs is due to the Child Care Stage One Holdback Appropriation amount being shifted to Child Care Services and Administration.

REASON FOR YEAR-TO-YEAR CHANGE:

- The BY decrease for CalWORKs grant costs is due to increased savings from the elimination of the Recent Non-citizen Entrants program and the 15.7 percent Grant Reduction. The BY increase for CalWORKs service costs is due to increased service caseload projected for the BY.
- The BY increase in administrative costs is due to an increase in the ratio of two-parent expenditures to the overall CalWORKs expenditures.
- There is no change in the BY for child care costs.

CASELOAD:

	2009-10	2010-11
Average Monthly Caseload	48,312	53,313

EXPENDITURES:

(in 000's)

ITEM 101 -	2009-10	2010-11
Total	Total	Total
Total	$541,263	$532,922
Federal	502,157	494,156
State	29,335	29,335
County	9,771	9,431
Reimbursements	0	0

Two-Parent Families

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CalWORKs Grants	2009-10 Grant	2010-11 Grant
Total	$390,844	$377,236
Federal	381,074	367,805
State	0	0
County	9,771	9,431
Reimbursements	0	0

ITEM 101 - CalWORKs Services	2009-10 Services	2010-11 Services
Total	$73,706	$75,920
Federal	73,706	75,920
State	0	0
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Administration	2009-10 Admin.	2010-11 Admin.
Total	$47,378	$50,431
Federal	47,378	50,431
State	0	0
County	0	0
Reimbursements	0	0

Two-Parent Families

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 -	2009-10	2010-11
CalWORKs Stage One Child Care	Child Care	Child Care
Total	$29,335	$29,335
Federal	0	0
State	29,335	29,335
County	0	0
Reimbursements	0	0

CalWORKs – Basic Grants

DESCRIPTION:

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11450.
- For Fiscal Year (FY) 2009-10, a total of 12,397,491 All Other Families (AF) personmonths and 2,319,946 Two-Parent (TP) personmonths are anticipated. For FY 2010-11, 13,411,520 AF personmonths and 2,624,043 TP personmonths are projected.
- For both the Current Year (CY) and the Budget Year (BY), AF cases consist of 2.32 persons and TP cases consist of 3.88 persons.
- Adjustments are made for the estimated costs of current premises which are already included in the base period. These premises include: “Cal Learn Bonuses,” “Cal Learn Sanctioned Grants,” “Recent Noncitizen Entrants (RNEs).” Also, an adjustment is made for the costs associated with new tribes establishing Tribal Temporary Assistance for Needy Families (TANF) programs.
- Costs are included for the Diversion Program. Based on the most recent California Work Opportunity and Responsibility to Kids (CalWORKs) Cash Grant Caseload Movement Reports (CA 237) and CalWORKs Expenditure Reports (CA 800D), the average monthly diversion caseload is estimated at 41 for the CY and 44 for the BY with an average cost per case of $2,581 for the both years.
- The estimated cost per person is based on an average of the actual cost per person from March 2009 to May 2009.
- The AF cost per person is $230.18 for the CY and the BY. The TP cost per person is $171.44 for the CY and the BY.
- The AF and TP basic costs are adjusted for the OASDI COLA. The Consumer Price Index (CPI)-W COLAs are 5.8 percent effective January 1, 2009 and is projected to be -2.1 percent effective January 1, 2010. Due to the negative CPI there is assumed to be no impact to OASDI payments in January 2010.
- The OASDI COLA adjustment reflects the impact of the projected CPI COLAs on the average Social Security Benefits received by CalWORKs cases, resulting in a FY 2009-10 reduction in cash grants of $4,438,265 and a FY 2010-11 reduction of $4,794,202.
- Effective January 2005, Proposition L provides a minimum wage increase every January for San Francisco County based on the current CPI-U. This will result in approximately $24,872 in grant savings in FY 2009-10, and $105,064 in grant savings in FY 2010-11. Approximately 445 recipients in the CY and 476 in the BY will receive additional earnings. The CPI-U is 2.0 percent for Calendar Year 2010.

CalWORKs – Basic Grants

KEY DATA/ASSUMPTIONS (CONTINUED):

- The CY and the BY reflect a shift of funds from the RNE program associated with persons in mixed cases that are TANF-eligible and are reflected in the separate RNE premise.

METHODOLOGY:

- The personmonths are multiplied by the cost per person to determine AF and TP basic costs.
- AF and TP basic costs are reduced for the OASDI COLA adjustment.
- Diversion costs are calculated by multiplying the average monthly caseload by the cost per case, and the annual Diversion costs are added to the basic grant costs.
- The total AF and TP basic costs are reduced by the amounts of the costs for "Cal Learn Bonuses," "Cal Learn Sanctioned Grants," "RNEs," new tribes establishing Tribal TANF programs, and Proposition L to reflect the basic grant costs.

DATA COMPARISON CHART:

FY 2009-10	AF	TP
Projected Personmonths	12,397,491	2,319,946
Projected Casemonths	5,343,685	597,966
Cost Per Case	2.32	3.88

FY 2010-11	AF	TP
Projected Personmonths	13,411,520	2,624,043
Projected Casemonths	5,780,688	676,347
Cost Per Case	2.32	3.88

FUNDING:

The funding in the CY and the BY is 91.54 percent TANF, 5.95 percent General Fund (GF), and 2.51 percent county. Due to a federal audit exception, effective September 1, 2009, TANF hardship cases are funded with GF Maintenance of Effort (MOE) instead of TANF funds. In addition, GF MOE is used to fund the RNE program associated with persons in mixed cases that are TANF eligible.

CHANGE FROM THE APPROPRIATION:

The caseload persons per case and cost per case have been updated using the most current available data.

The CalWORKs caseload is projected to increase at a slower rate than was anticipated in the appropriation, 10.39 percent rather than 13.9 percent in the Appropriation.

.

CalWORKs – Basic Grants

REASON FOR YEAR-TO-YEAR CHANGE:

The caseload is projected to increase by 8.7 percent from the CY to the BY

CASELOAD:

	2009-10	2010-11
Average Monthly Caseload	495,138	538,086
Average Monthly Persons	1,226,453	1,336,297

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$3,199,905	$3,478,132
Federal	2,929,271	3,184,104
State	190,418	206,890
County	80,216	87,138
Reimbursements	0	0

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Subsidized Employment (AB 98)

DESCRIPTION:

This premise provides funding to counties outside of the California Work Opportunity and Responsibility to Kids (CalWORKs) program single allocation to pay 50 percent of a CalWORKs Welfare-to-Work (WTW) participant's wage subsidy while participating in public or private sector subsidized employment pursuant to Assembly Bill (AB) 98 (Chapter 589, Statutes of 2007). The state's participation in the wage subsidy is limited to a maximum of six months for each WTW participant, up to 50 percent of the maximum aid payment for the family.

Due to implementation of the American Recovery and Reinvestment Act (ARRA) Emergency Contingency Fund (ECF) Subsidized Employment (SE) program, AB 98 activities were suspended through September 30, 2010. Prior to the implementation of the ARRA SE program, AB 98 activities were budgeted at $5.9 million. This premise assumes that AB 98 activities will resume at a level consistent with the pre ARRA period and is capped at $5.9 million.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11322.63. Statutory changes are required to cap the funding at $5.9 million commencing with Fiscal Year (FY) 2010-11.
- The net cost of the program is approximately $3.4 million in the Budget Year (BY). These costs only reflect the incremental increase associated with the additional state share of the subsidy payment, offset by associated grant savings. This estimate does not account for any increased costs associated with the establishment of additional subsidized employment slots. It is assumed that any additional costs of this program will be funded through the county CalWORKs single allocation.
- Based on an October 2008 survey of counties, it is assumed that approximately 313 monthly cases statewide will participate in public or private subsidized employment.
- Based on Los Angeles County's employment training program, 23 percent or 73 participants will not complete the subsidized employment program. It is assumed that each group of participants will experience an attrition of 11.7 percent in the second month of the subsidized employment program. Another 11.7 percent will enroll in the program but will not complete the program due to various reasons.
- It is assumed the average wage subsidy cost is $694 per month per participant and the state's share of the subsidy is $347.
- Based on the Federal Fiscal Year 2007 CalWORKs Characteristics Survey (Q5) data, approximately two-thirds of individuals who are currently participating do so through work activities and the remaining one-third participate in non-work activities.
- Without regard to the subsidized employment program, approximately two-thirds of individuals would have participated in employment and one-third in non-work activities.

Subsidized Employment (AB 98)

KEY DATA/ASSUMPTIONS (CONTINUED):

- The cost of the subsidy is partially offset by grant savings for the one-third that would not have otherwise worked resulting in a net cost of $113.00 per case per month.
- Based on Los Angeles County's statistics from Fiscal Year (FY) 2006-07, 77 percent of subsidized employment cases, or 239 participants per month will fully complete the program. Of those that completed the program, 56 percent or 134 participants will enter unsubsidized employment with an average hourly wage of $9.28.
- It is assumed that approximately two-thirds of the population would have otherwise participated through work activities at an average of $8.00 per hour and assumes an average of 20 hours per week of unsubsidized employment
    - Of those that enter unsubsidized employment after completion of the subsidized work program, approximately two-thirds would have increased hourly earnings of $1.28 per hour and approximately one-third are newly employed, earning $9.28 per hour.
- The impact of Quarterly Reporting/Prospective Budgeting (QR/PB) results in a delay of grant savings due to employment (subsidized or unsubsidized). QR/PB assumes that one-third of individuals will be required to report earnings in the month employment is obtained, one-third in the second month after employment is obtained, and the remaining one-third in the third month after employment is obtained.
- This premise does not include additional costs for child care and other services. It is assumed that participants are using these services prior to entering subsidized employment.

METHODOLOGY:

Beginning April 2008, the population assumed to participate in the subsidized employment program is phased in over a six-month period, with each group remaining in the subsidized employment program for six months. The Subsidized Employment population is divided into two groups; one that represents the grant savings and subsidized employment costs associated with the approximate two-thirds employment population, and one that represents the grant savings and subsidized employment costs associated with the one-third non-work population. The net cost is $3.4 million in FY 2010-11.

Wage Subsidy Cost

- Wage Subsidy costs associated with the approximate two-thirds employment population are $3.88 million in FY 2010-11.
- Wage Subsidy costs associated with the approximate one-third employment population are $2.09 million in FY 2010-11.
- Net Wage Subsidy costs associated with this premise is approximately $4.472 million for FY 2010-11. This premise assumes that AB 98 resumes on October 1, 2010 and includes 9 months of expenditures ($5.963 x 75 percent = $4.472 million).

Grant Savings

- Wage Subsidy savings associated with the approximate two-thirds employment population are $0.07 million in FY 2010-11.

Subsidized Employment (AB 98)

METHODOLOGY (CONTINUED):

- Wage Subsidy savings associated with the approximate one-third employment population are $1.39 million in FY 2010-11.
- Net Wage Subsidy savings associated with this premise is approximately $1.097 million for FY 2010-11. This premise assumes that AB 98 resumes on October 1, 2010 and includes 9 months of expenditures ($1.462 x 75 percent = $1.097 million).

FUNDING:

The funding for the CalWORKs grant savings is 91.54 percent Temporary Assistance for Needy Families (TANF), 5.95 percent General Fund (GF), and 2.51 percent county. The funding for the wage subsidy is 100 percent TANF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

Due to implementation of ARRA, AB 98 activities were suspended through September 30, 2010.

EXPENDITURES:

(in 000's)

101 – CalWORKs Grants	2009-10	2010-11
	Grants	Grants
Total	$0	-$1,097
Federal	0	-1,004
State	0	-65
County	0	-28
Reimbursements	0	0

101 – CalWORKs Services	2009-10	2010-11
	Services	Services
Total	$0	$4,472
Federal	0	0
State	0	4,472
County	0	0
Reimbursements	0	0

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CalWORKs Short-Term Reform Efforts – County Exemptions and Flexibility

DESCRIPTION:

Chapter 4, Statutes of 2009 Fourth Extraordinary Session, Assembly Bill (AB) X4 4 includes short-term reforms to the CalWORKs program. Pursuant to language included in the bill, the county may provide time limit exemptions for individuals who have been granted good cause due to lack of supportive services and provide time limit exemptions and welfare-to-work (WTW) participation exemptions for families with young children (i.e. 12-23 months or if two or more children are under the age of six). These short-term reforms are effective August 1, 2009 and will remain in effective until June 30, 2011.

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

The statutory changes included in ABX4 4 provide the counties flexibility to address funding reductions included in the Budget Act of 2009 ($376 million reduction to the single allocation). The language allows the county flexibility to redirect mental health and substance abuse funding and to grant exemptions from WTW participation as noted above. AB X4 4 also states that it is the goal of the Legislature to minimize disruption of WTW services for those clients already participating, and prioritize exemptions and good cause for new applicants. However, this does not preclude counties from granting these exemptions to current clients.

IMPLEMENTATION DATE:

Enactment date is July 28, 2009 and the implementation date is August 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Chapter 4, Statutes of the Fourth Extraordinary Session of 2009.
- The California Department of Social Services is proposing trailer bill language to exclude the good cause cases from the time limit exemptions (the CalWORKs time clock will continue to tick for these cases – effective July 1, 2010). The effect of the proposed trailer bill language is included in this premise.
- For cases that have young children, the premise also reflects the impact of restoring the adult portion of the grant in cases that otherwise would have been sanctioned for non-compliance with work requirements.

<u>Good Cause due to Lack of Supportive Services</u>

- The estimate assumes that approximately 12,000 cases/families could lose child care services because of reductions to the Single Allocation (see Reduction in Employment Services and Child Care premise). Of those families that lose child care, approximately 367 will be subject to reach their 60 month time limit in Fiscal Year (FY) 2009-10.
- Absent this policy, approximately 64 percent of cases/families subject to reach their 60 month time limit would have gone to the Safety Net and 36 percent would have left aid.
- The estimate assumes that the cases that otherwise would have gone to the Safety Net will have the adult portion of their grant restored (approximately 234). The estimate further

CalWORKs Short-Term Reform Efforts – County Exemptions and Flexibility

KEY DATA/ASSUMPTIONS (CONTINUED):

assumes that 26 percent of the cases that would have left aid upon reaching their 60 month time limit will remain in the program and receive their full grant (approximately 96), and 10 percent of the cases will leave the program (approximately 37).

Young Children Exemption

- The estimate assumes that approximately 54,190 cases/families have young children that meet the new exemption criteria.
- The estimate assumes that approximately 2,097 cases/families with young children will be subject to reach their 60 month time limit in FY 2009-10.
- Based on data from FY 2006-07, approximately 1,092 cases time out each month. Of the cases that time out each month, approximately 16 percent meet the young child criteria, resulting in approximately 175 cases with young children that time out each month (1,092 x 16 percent x 12 = 2,097).
- Absent this policy, approximately 64 percent of cases/families subject to reach their 60 month time limit would have gone to the Safety Net and 36 percent would have left aid.
- The estimate assumes that the cases that otherwise would have gone to the Safety Net will have the adult portion of their grant restored (approximately 1,338). The estimate further assumes that 73 percent of the cases that would have left aid upon reaching their 60 month time limit will remain in the program and receive their full grant (approximately 550), and 27 percent of the cases will leave the program (approximately 209).

Sanction Cases

- The estimate assumes that 7,587 cases/families are in sanction status in FY 2009-10 (assuming the standard percentage of cases required to participate that are in sanction status of 14 percent).
- The estimate assumes that the counties will provide a “blanket” exemption to all families/cases in sanction and that the adult portion of the grant will be restored.

Administrative Costs

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

METHODOLOGY:

Good Cause due to Lack of Supportive Services

- For cases that otherwise would have left aid after 60 months, the full grant is restored ($504.96). For FY 2009-10, approximately 96 cases will be restored resulting in additional grant costs of approximately $0.3 million (529 case months X $504.96).
- For cases that otherwise would have gone to the Safety Net, the adult portion of the grant is restored ($133). For FY 2009-10, approximately 234 cases be restored resulting in additional grant costs of approximately $0.2 million (1,289 case months X $133).

CalWORKs Short-Term Reform Efforts – County Exemptions and Flexibility

METHODOLOGY (CONTINUED):

Young Children Exemption

- For cases that otherwise would have left aid after 60 months, the full grant is restored ($504.96). For FY 2009-10, approximately 550 cases be restored resulting in additional grant costs of approximately $1.5 million (3,022 case months X $504.96).
- For cases that otherwise would have gone to the Safety Net, the adult portion of the grant is restored ($133). For FY 2009-10, approximately 1,338 cases be restored resulting in additional grant costs of approximately $1 million (7,360 case months X $133).

Sanction Cases

- For FY 2009-10 , the estimate assumes that approximately 7,587 cases/families will be granted a blanket exemption on August 1, 2009 resulting in increased grant costs of approximately $11.1 million (e.g. 54,190 families with young children x 14 percent in sanction = 7,587), (7,587 x 11 months x 133 = $11,099,781).

Administrative Costs

- For FY 2009-10 and FY 2010-11, the estimate assumes that approximately 646 cases/families could remain on aid longer because of the time limit exemptions resulting in increased administrative costs of approximately $0.3 million (96+550=646), (646 x 33.58 x 12 = $260,229).

FUNDING:

Grant Costs: The funding in the CY and BY is 91.54 percent TANF, 5.95 percent GF, and 2.51 percent county.

Administrative Costs: The funding in the CY and BY is 94.47 TANF and 5.53 percent GF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The increased grant cost in the BY is due to an August 1, 2009 implementation. In addition, due to the compounding effect of granting exemptions, the cost will be higher in the BY.

CalWORKs Short-Term Reform Efforts – County Exemptions and Flexibility

EXPENDITURES:

(in 000's)

101 – CalWORKs Grants	2009-10 Grants	2010-11 Grants
Total	$14,044	$21,550
Federal	12,856	19,727
State	836	1,282
County	352	541
Reimbursement	0	0

101- CalWORKs Administration	2009-10 Admin.	2010-11 Admin.
Total	$260	$260
Federal	246	246
State	14	14
County	0	0
Reimbursements	0	0

Refugee Resettlement Program – Wilson/Fish

DESCRIPTION:

Prior to October 1, 2009, refugee families in San Diego County were supported with cash aid grants through the Wilson/Fish Alternative Project. This program will cease enrolling new cases on September 30, 2009 and all refugee families previously served through the Wilson/Fish Alternative Project will be referred to the county's California Work Opportunity and Responsibility to Kids (CalWORKs) program. This premise estimates the impact of transferring families previously served under the Wilson/Fish Alternative Project into the San Diego County CalWORKs program.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2009.

KEY DATA/ASSUMPTIONS:

- The Wilson/Fish program served approximately 757 cases in San Diego County in Fiscal Year (FY) 2008-09.
- Refugee families served by Wilson/Fish were eligible to receive aid for eight months before being transferred to the CalWORKs program.
- San Diego County expects the same monthly intake in FY 2009-10 and FY 2010-11 as they had in FY 2008-09, which equals 2,743 case months for the Current Year (CY) and 6,056 case months for the Budget Year (BY).
- New cases will be referred to San Diego County's CalWORKs program as of October 1, 2009. Wilson/Fish will continue to fund previously enrolled cases through January 2010; these cases will transfer to CalWORKs as of February 2010.
- Average grant cost is $525.12 per month for FY 2009-10 and FY 2010-11.
- Administration costs include $197.75 per intake and $33.58 per case each month for review and quarterly reporting.
- The expected intake cost is increased four percent to allow for intake fluctuations.

METHODOLOGY:

- The CY grant expenditures: case months (2,743) multiplied by grant ($525.12) = $1,440,404.
- The BY grant expenditures: case months (6,056) multiplied by grant ($525.12) = $3,180,127.
- The CY and the BY intake: intake (757) increased by four percent (30.3) and multiplied by intake cost per case ($197.75) = $155,689
- The CY administration expenditures: case months (2,743) multiplied by review cost per case ($33.58) plus intake ($155,689) = $247,799
- The BY administration expenditures: case months (6,056) multiplied by review cost per case ($33.58) plus intake ($155,689) = $359,049

Refugee Resettlement Program – Wilson/Fish

FUNDING:

CalWORKs grants are funded 97.5 percent Temporary Assistance for Needy Families (TANF) and 2.5 percent county. The administration costs are 100 percent TANF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

Grant and administrative costs are lower in the CY because the changes to the Wilson/Fish program take effect beginning in the second quarter. The BY costs reflect a full year.

EXPENDITURES:

(in 000's)

Cash Aid Grants

	2009-10	2010-11
Total	$1,440	$3,180
Federal	1,404	3,100
State	0	0
County	36	80
Reimbursements	0	0

Administration

	2009-10	2010-11
Total	$248	$359
Federal	248	359
State	0	0
County	0	0
Reimbursements	0	0

Prospective Budgeting

DESCRIPTION:

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

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

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

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

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

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

Prospective Budgeting

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimated grant/coupon costs and administrative savings are based on comparing statistical information from the previous Monthly Retrospective Reporting Budgeting (MRRB) system to the current QR/PB reporting system.
- The Current Year (CY) costs and savings are based on 6,703,964 CalWORKs casemonths; 10,532,832 NAFS casemonths; and 151,402 CFAP casemonths.
- The Budget Year (BY) costs and savings are based on 7,266,500 CalWORKs casemonths; 12,483,890 NAFS casemonths; and 174,758 CFAP casemonths.
- It is assumed that 10.5 percent of the total NAFS/CFAP cases are currently subject to nonmonthly/change reporting based on the FS Characteristics Survey. The remaining cases, 9,437,418 NAFS cases and 135,505 CFAP cases in the CY; and 11,185,565 NAFS cases and 156,409 CFAP cases in the BY, are subject to quarterly reporting.
- Based on actual caseload and expenditure data, the cost for on-going activities for CalWORKs cases under monthly reporting was $42.75 per month per case and $25.01 per month per case for NAFS.
- The CalWORKs eligibility worker cost per hour is $57.57.
- Based on county time study data collected during October and November 2005, the amount of time needed for CalWORKs continuing case activities under QR/PB is 26 minutes per month at a cost of $24.95 per case.
- Based on county time study data collected during October and November 2005, the amount of time needed to process CalWORKs mid-quarter activities averages nine minutes per month per case at a cost of $8.63 per case.
- Based on county time study data collected during March 2005, the NAFS/CFAP on-going case activities under QR/PB are at a cost of $39.33 per case.
- Based on county time study data collected during March 2005, the NAFS/CFAP mid-quarter case activities under QR/PB are estimated to cost $28.23 per case.
- Mid-quarter administrative activities for CalWORKs and NAFS/CFAP cases include voluntary and mandatory mid-quarter reporting and county initiated contact.
- CalWORKs mid-quarter activities also include IRT reporting.
- The current cost for mailing a monthly report form to a recipient is $0.78. It is assumed that the cost for mailing the quarterly report is $0.78 per household/case.
- It is assumed that only one-third of the total CalWORKs, NAFS, CFAP, and RCA cases will report each month under QR/PB. The remaining two-thirds of the cases will only report outside their normal quarterly report month in certain circumstances. Based on the CalWORKs Report on Reasons for Discontinuances of Cash Grant, (CA 253 CW), 8.73 percent of CalWORKs cases are discontinued each month, and 12.39 percent of the cases are discontinued due to income exceeding CalWORKs eligibility limits under MRRB. Under QR/PB some of these cases will experience a delay in being discontinued until their quarterly report month.

Prospective Budgeting

KEY DATA/ASSUMPTIONS (CONTINUED):

- CalWORKs recipients with unearned income only are exempt from mid-quarter reporting when their income exceeds the IRT. This group of recipients accounts for 0.55 percent of the CalWORKs caseload under MRRB. It is assumed that 50 percent of these cases will receive one month of additional benefits and 50 percent will receive two months of additional benefits before being discontinued when their quarterly report is filed.
- Due to the difference in income level between the CalWORKs eligibility limit and the IRT, it is assumed that 40.04 percent of the CalWORKs cases currently are discontinued due to excess earned income. It is assumed that 50 percent of these cases will receive one month of additional benefits and 50 percent will receive two months of additional benefits before being discontinued when a quarterly report is filed.
- Based on data from the Fraud Investigation Activity Report (DPA 266) for Fiscal Year (FY) 2007-08, fraud cases account for 2.46 percent of total CalWORKs cases. Fifty percent of the cases will result in an overpayment for one month and 50 percent of the cases will result in a two-month overpayment. Based on fraud overpayment collection experience, it is assumed that 50 percent of the overpayments will be recovered after a six-month period.
- Based on the Employment Development Department wage data, prior to becoming ineligible due to excess income, the average CalWORKs case receives a grant of $206.50 and the average CFAP household receives a benefit of $85.00.
- Based on a county survey regarding Reduced Income Supplemental Payments (RISPs) applications, it is estimated that 2.72 percent of the total caseload will have decreased earnings and will report the decrease during the non-quarterly report months.
- Under monthly reporting rules recipients may receive supplemental payments equal to 80 percent of the grant increase. Under QR/PB, CalWORKs recipients will receive a grant adjustment equal to 100 percent of the grant increase associated with reported decrease in income. The average CalWORKs grant impact for cases that would report decreased income in non-quarterly report months is estimated at $116.67.
- CFAP cases will receive a supplemental payment equal to the increase; under monthly reporting, these cases do not receive a supplemental payment. The average CFAP benefit for cases that would report decreased income in non-quarterly report months is $53.03. Based on the CA 253, FY 2007-08, 0.86 percent of CalWORKs monthly cases would become ineligible for the following reasons: no eligible child, excess resources, and no deprivation. It is assumed that 50 percent of these cases will continue to receive one additional full month of the grant and 50 percent will continue to receive two additional months of the full grant before being discontinued.
- Based on data from the CA 253, FY 2002-03 reports, 4.73 percent of CalWORKs and CFAP cases were discontinued each month for not submitting a Monthly Eligibility Report (CW 7) under the monthly reporting system. It is assumed that 25 percent of these cases now delay discontinuance for one or two months under the quarterly reporting system. It is assumed that 50 percent of the remaining cases will continue to receive one additional full month of grant and 50 percent will continue to receive two additional full months of grant before being discontinued.

Prospective Budgeting

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average CalWORKs monthly grant is $539.57 based on the CA 800 CalWORKs expenditure reports for the period from July 2008 to September 2008.
- The average CFAP benefit per case is $286.56 based on the DFA 256 Reports the period from May 2009 to July 2009.
- It is estimated that five CFAP cases per month in the CY and six CFAP cases per month in BY that otherwise would have discontinued due to income exceeding eligibility limits will not be discontinued until their quarterly report month. It is assumed that 50 percent of these cases will continue to receive one additional full month of grant and 50 percent will continue to receive two additional full months of grant before being discontinued.
- It is estimated that 33 CFAP cases per month in the CY and 38 CFAP cases per month in BY that would have otherwise had their benefits discontinued due to increased income will continue to receive additional benefits. It is assumed that 50 percent of these cases will continue to receive one month of increased benefits and 50 percent will continue to receive two additional months of increased benefits.
- The costs and savings under QR/PB are compared to MRRB. Assuming one-third of the income increases occur in each month, the result is one month of costs, one month of savings, and one month of no cost or savings to the CalWORKs and CFAP programs. The net effect is zero in those cases with increased income of all ranges of non-reporting.
- Based on a county survey, 4.47 percent of the NAFS/CFAP caseload will report a change of address, change in household composition, or shelter cost that will result in mid-quarter administrative activity. An additional 0.69 percent of the NAFS/CFAP caseload will be subject to a county initiated action during mid-quarter months.
- Effective October 1, 2008, Able-Bodied Adults Without Dependents (ABAWDs) are exempt from meeting the work requirements.

METHODOLOGY:

Administration

- The CalWORKs, NAFS, CFAP and RCA prospective budgeting administrative costs are calculated by adding the administrative costs to process the quarterly reports and mid-quarter changes.
- The CalWORKs administrative savings associated with continuing case activities under monthly reporting are calculated by multiplying the monthly continuing case cost by the total casemonths [CalWORKs BY: ($42.75 x 7,266,500)].
- The CalWORKs administrative costs associated with continuing case activities under QR/PB are calculated by multiplying the monthly continuing case cost by the casemonths of those required to report on a quarterly basis [CalWORKs BY: ($24.95 x 7,266,500)].
- The CalWORKs administrative costs to process mid-quarter changes are calculated by multiplying the casemonths by the cost per month [CalWORKs BY: ($8.63 x 7,266,500)].

Prospective Budgeting

METHODOLOGY (CONTINUED):

- The NAFS and CFAP administrative savings associated with no longer processing monthly reports are calculated by multiplying the monthly cost to process a continuing case by the total casemonths [NAFS BY: ($25.01 x 11,185,565)].
- The NAFS and CFAP administrative costs to process quarterly reports are calculated by multiplying the quarterly cost to process a continuing case by the casemonths of those required to report on a quarterly basis [NAFS BY: ($39.33 x 11,185,565 x 33 percent)].
- The NAFS and CFAP administrative costs to process a change resulting in increased benefits are calculated by multiplying the number of cases that would report their reduced earnings outside the quarterly reporting months by the cost per case [NAFS BY: (11,185,565 x 2.72 percent x $28.23)].
- The NAFS and CFAP administrative costs to process a change of address, change in household composition, or shelter costs during non-quarterly report months are calculated by multiplying the number of cases that would report the changes outside the quarterly reporting months by the cost per case [NAFS BY: (11,185,565 x 4.47 percent x $28.23)].
- The NAFS and CFAP administrative costs to process a county initiated actions is calculated by multiplying the number of cases that would report the changes outside the quarterly reporting months by the cost per case [NAFS BY: (11,185,565 x 0.69 percent x $28.23)].
- The CalWORKs, NAFS, and CFAP administrative cost to mail quarterly reports is calculated by multiplying the annual casemonths by one-third to determine the number of cases in a quarter; then multiplying by the mailing cost which is determined based on the monthly number of mid-quarter reports x $0.78 [NAFS BY: (8,789,385 x 33 percent x $0.78), for CalWORKs (BY: 7,266,500x 33 percent x $0.78)].
- The CalWORKs, NAFS, and CFAP administrative savings due to not mailing monthly reports is calculated by multiplying the number of cases reporting monthly by the mailing cost [NAFS BY: (8,789,385 x $0.78), for CalWORKs BY: (7,266,500 x $0.78)].
- CalWORKs grant and CFAP coupon costs associated with noncompliance cases who do not submit their monthly reports are calculated by multiplying the average monthly grant/coupon per case by the impacted casemonths, assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CalWORKs BY: ($539.57 x 90,249 x 50 percent) + (($539.57 x 90,249 x 50 percent x 2)].
- CalWORKs grant and CFAP coupon costs associated with not discontinuing ineligible cases until the quarterly report month are calculated by multiplying the monthly average grant/coupon per case by the impacted casemonths, assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CalWORKs BY: [($539.57 x 43 x 50 percent) + ($539.57 x 43 x 50 percent x 2)].

Grants/Benefits

- CalWORKs grant costs for not discontinuing cases with income over the CalWORKs eligibility limit but under the IRT until the quarterly report are calculated by multiplying the impacted casemonths by the average grant per case assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CalWORKs BY: ($206.50 x 673 x 50 percent) + ($206.50 x 673 x 50 percent x 2)].

Prospective Budgeting

METHODOLOGY (CONTINUED):

- CalWORKs grant costs for those cases exempt from reporting when their income exceeds the IRT because they have unearned income only, are calculated by multiplying the impacted casemonths by the associated average grant per case, assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CalWORKs BY: ($206.50 x 16,422 x 50 percent) + ($206.50 x 16,422 x 50 percent x 2)].
- CalWORKs grant costs for increasing the benefits of those cases reporting a decrease in income during mid-quarter months are calculated by multiplying the impacted casemonths by the average grant increase of $116.67 [CalWORKs BY: ($116.67 x 197,427 x 50 percent) + ($116.67 x 197,427 x 50 percent x 2)].
- Overpayments for those cases that will not report income exceeding the IRT are calculated by multiplying the average grant per case by the impacted casemonths of those that will not report, assuming that 50 percent receive one additional monthly grant and 50 percent receive two additional monthly grants, and 50 percent of the overpayments will be recovered after a six-month period [CalWORKs in BY: [($206.50 x 36 x 50 percent) x 50 percent] + ($206.50 x 36 x 50 percent x 2 x 50 percent)].
- Under QR/PB CFAP coupon costs for not discontinuing cases with income over the eligibility limit are calculated by multiplying the impacted casemonths by the average grant per case assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant [CFAP BY: ($85.00 x (38 + 6) x 50 percent) + ($85.00 x (38 + 6) x 50 percent x 2)].
- CFAP coupon costs for those cases reporting a decrease in income during mid-quarter months are calculated by multiplying the impacted casemonths by the average coupon increase [CFAP BY: ($53.03 x 4,333) + ($53.03 x 4,333 x 50 percent)].
- CFAP coupon costs for not decreasing benefits for cases that have an increase in income are calculated by multiplying the impacted casemonths by the average increased coupon amount times two months [CFAP BY: ($53.03 x 4,333 x 2)].

FUNDING:

CalWORKs

- The funding for CalWORKs grants for the CY and BY is 91.54 percent TANF, 5.95 percent General Fund (GF) and 2.51 percent county.
- The funding for CalWORKs administration for the CY and BY is 94.47 percent TANF and 5.53 percent GF.

NAFS and CFAP

- For the CY and BY, the FS funding is 50 percent federal, 35 percent GF, and 15 percent county funds. CFAP costs are 100 percent GF with 21.01 percent being Maintenance of Effort eligible.

Prospective Budgeting

CHANGE FROM THE APPROPRIATION:

CalWORKs

- The increase to the CalWORKs grant costs is lower than projected in the Appropriation. The CalWORKs administrative savings were held to the Appropriation.

NAFS and CFAP

- The increase in NAFS administrative savings and CFAP administrative savings and grant costs is associated with a higher than expected caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

- The CalWORKs grant costs and administrative savings reflect an increase to the CalWORKs caseload over the CY.
- The BY increase in NAFS administrative savings and CFAP administrative savings and grant costs reflect an increase in projected caseload over the CY.

EXPENDITURES:

(in 000's)

ITEM 101 – CalWORKs Grants	2009-10	2010-11
	Grant	Grant
Total	$104,181	$112,935
Federal	95,367	103,380
State	6,199	6,720
County	2,615	2,835
Reimbursements	0	0

ITEM 101 – CalWORKs Administration	2009-10	2010-11
	Admin.	Admin.
Total	-$68,268	-$70,455
Federal	-59,919	-66,559
State	-8,349	-3,896
County	0	0
Reimbursements	0	0

Prospective Budgeting

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 – CFAP Grants	2009-10	2010-11
	Grant	Grant
Total	$1,310	$1,512
Federal	0	0
State	1,310	1,512
County	0	0
Reimbursements	0	0

ITEM 141 – Food Stamp Administration	2009-10	2010-11
	Admin.	Admin.
Total	-$96,946	-$116,372
Federal	-48,473	-58,127
State	-33,931	-41,010
County	-14,542	-17,235
Reimbursements	0	0

ITEM 141- CFAP Administration	2009-10	2010-11
	Admin.	Admin.
Total	-$1,392	-$1,607
Federal	0	0
State	-1,392	-1,607
County	0	0
Reimbursements	0	0

Recent Noncitizen Entrants

DESCRIPTION:

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

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

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

IMPLEMENTATION DATE:

This premise implemented in September 1996.

KEY DATA/ASSUMPTIONS:

- The child care and services costs were held to the Appropriation in Current Year (CY) and Budget Year (BY).
- Based on the Summary Report of Assistance Expenditures (CA 800L and CA 800M) for the period May 2008 to April 2009, the projected average monthly persons that are not TANF eligible is 21,910 for the CY and 23,748 for the BY.
- The overall CalWORKs caseload is projected to increase by 10.63 percent in CY and 8.39 percent in BY.
- Based on the CA 800L and CA 800M reports for May 2008 to April 2009, the average grant per person is $157.68.
- Cal Learn Bonuses and Sanction grant costs for RNE recipients is projected to be $66,885 in the CY and $73,792 in the BY.
- Iraqi Special Immigrant Visa (SIV) grant costs for RNE recipients is projected to be $42,382 in the CY and $76,500 in the BY.
- Based on claims from the counties for July 2008 to June 2009, the administration cost for RNEs was approximately $7.7 million.
- The percentage of persons that are TANF eligible is 50.19 percent.
- The funds associated with persons that are TANF eligible are reflected in the Basic premises for grants, childcare, and administration and employment services.

Recent Noncitizen Entrants

KEY DATA/ASSUMPTIONS (CONTINUED):

- For Cal Learn, the RNE costs in the BY reflect 1.5 percent of the Cal Learn cost which is reflected in the "Cal Learn" premise. The percentage is based upon actual expenditures from July 2008 to June 2009.

METHODOLOGY:

- The child care and services costs were held to the Appropriation in CY and BY.
- The grant costs were calculated by multiplying the projected monthly recipients by the average grant per person by 12 months (BY; 23,748 x 157.68 x 12 months). This total is then added to the Cal-Learn bonuses, sanctioned grants and Iraqi SIV grants.
- The administration costs for the RNEs are based on actual expenditures from July 2008 to June 2009 that have been adjusted for projected caseload growth. In addition, an adjustment was made to correct a previous error. Of the total costs, 50.19 percent represent federal households and remains in the CalWORKs basic Administration, funded with General Fund (GF). The remaining portion of RNEs is reflected in this premise.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

For Fiscal Year 2009-10, the grant costs were updated to include the most recent data available. The costs for services, administration, and child care were held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The grant costs and administrative costs were updated to include the most recent data available. The costs for service and child care were held to the Appropriation.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Grants	2009-10 Grant	2010-11 Grant
Total	$41,566	$45,084
Federal	0	0
State	39,488	42,830
County	2,078	2,254
Reimbursements	0	0

Recent Noncitizen Entrants

EXPENDITURES (CONTINUED):
(in 000's)

ITEM 101 - CalWORKs Services	2009-10 County Services	2010-11 County Services
Total	$7,654	$7,654
Federal	0	0
State	7,654	7,654
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Administration	2009-10 Admin.	2010-11 Admin.
Total	$4,993	$4,181
Federal	0	0
State	4,993	4,181
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Stage One Child Care	2009-10 Child Care	2010-11 Child Care
Total	$1,554	$1,554
Federal	0	0
State	1,554	1,554
County	0	0
Reimbursements	0	0

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Recent Noncitizen Entrants - Elimination

DESCRIPTION:

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

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

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

Due to lower revenue projections and increased caseload driven costs, budget reductions are needed to balance the Fiscal Year (FY) 2009-10 and FY 2010-11 budgets. This proposal is included as one of the budget reduction solutions.

IMPLEMENTATION DATE:

This premise assumes a March 1, 2010 enactment of legislation and a June 1, 2010 implementation date.

KEY DATA/ASSUMPTIONS:

- The elimination of the RNE program will require a change in state statute and emergency regulations.
- Approximately 24,000 recipients (in approximately 9,500 cases) will lose eligibility for CalWORKs assistance and associated employment services, including child care.

METHODOLOGY:

The RNE program will be eliminated June 1, 2010. Funds previously budgeted for this program will be removed from the budget *(see the Recent Non Citizen Premise for information on methodology).*

Recent Noncitizen Entrants - Elimination

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The premise assumes a June 1, 2010 implementation date, budget year reflects a full year of savings as a result of elimination of this premise.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Grants	2009-10 Grant	2010-11 Grant
Total	-$3,516	-$44,191
Federal	0	0
State	-3,341	-41,982
County	-175	-2,209
Reimbursements	0	0

ITEM 101 - CalWORKs Services	2009-10 County Services	2010-11 County Services
Total	$0	-$7,654
Federal	0	0
State	0	-7,654
County	0	0
Reimbursements	0	0

Recent Noncitizen Entrants - Elimination

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CalWORKs Administration	2009-10 Admin.	2010-11 Admin.
Total	$0	-$4,181
Federal	0	0
State	0	-4,181
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Stage One Child Care	2009-10 Child Care	2010-11 Child Care
Total	$0	-$1,554
Federal	0	0
State	0	-1,554
County	0	0
Reimbursements	0	0

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Four Percent Grant Reduction

DESCRIPTION:

This premise reflects the implementation of a four percent Maximum Aid Payment (MAP) reduction to the California Work Opportunity and Responsibility to Kids (CalWORKs) program. This reduction is necessary to address the state's fiscal situation.

IMPLEMENTATION DATE:

This premise assumes a July 1, 2009 implementation and is included in the 2009-10 Budget Bill enacted February 20, 2009 (SBX3 1).

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: Welfare and Institutions Code sections 11450 and 11450.02.
- The MAP levels for non-exempt and exempt Assistance Units (AUs) are reduced by four percent. The reduced MAP levels will be used to calculate the grant amount for CalWORKs recipients.
- Depending on the amount of grant each CalWORKs case currently receives, the actual percentage of reduction to their grant would be different. Based on federal CalWORKs Characteristic Survey (Q5) Data, the percentage of reduction to the CalWORKs average cost per case is approximately 4.4 percent.
- For Fiscal Year (FY) 2009-10 and FY 2010-11, approximately 15,342 and 16,630 (respectively) CalWORKs cases will lose eligibility and become discontinued as a result of this MAP reduction.
- Administrative costs for mid-quarter activities are $8.63 per case per month and for quarterly activities are $24.95 per case per month.
- The administrative savings is a result of cases that will discontinue due to excess income.

METHODOLOGY:

- The grant savings is calculated by multiplying the decrease in the average CalWORKs grant by the total CalWORKs caseload.
- The administrative savings from caseload reduction is calculated by multiplying the average monthly number of cases expected to lose eligibility by the average monthly cost per case.

FUNDING:

The CalWORKs grants are 91.54 percent Temporary Assistance for Needy Families (TANF) funded, 5.95 percent General Fund (GF) and 2.51 percent county funded in the Current Year (CY) and in the Budget Year (BY).

The CalWORKs administrative savings/costs are 94.47 percent TANF funds and 5.53 percent GF in the BY.

CHANGE FROM THE APPROPRIATION:

For FY 2009-10, the grant savings was updated to include the most recent caseload data available. The administrative savings was held to the Appropriation.

Four Percent Grant Reduction

REASON FOR YEAR-TO-YEAR CHANGE:

The CalWORKs grant and administrative savings was updated to include the most recent caseload data available.

EXPENDITURES:

(in 000's)

Item 101 – CalWORKs (TANF) Grant Savings	2009-10	2010-11
	Grant	Grant
Total	-$137,948	-$161,929
Federal	-126,532	-148,484
State	-8,029	-9,456
County	-3,387	-3,989
Reimbursements	0	0

Item 101 – CalWORKs (TANF) Administrative Savings	2009-10	2010-11
	Admin.	Admin.
Total	-$6,493	-$6,701
Federal	-5,699	-6,330
State	-794	-371
County	0	0
Reimbursements	0	0

15.7 Percent Grant Reduction

DESCRIPTION:

This premise reflects the implementation of an additional 15.7 percent Maximum Aid Payment (MAP) reduction to the California Work Opportunity and Responsibility to Kids (CalWORKs) program. A four percent MAP reductions was included in the 2009-10 Budget Bill enacted February 20, 2009. However, due to lower revenue projections and increased caseload driven costs, an additional 15.7 percent MAP reduction is included in the Governor's Budget.

IMPLEMENTATION DATE:

This premise assumes a March 1, 2010 enactment of legislation with a June 1, 2010 implementation date.

KEY DATA/ASSUMPTIONS:

- In order to implement this proposal, statutory changes are required.
- The MAP levels for non-exempt and exempt Assistance Units (AUs) are reduced by 15.7 percent. The reduced MAP levels will be used to calculate the grant amount for CalWORKs recipients.
- Depending on the amount of grant each CalWORKs case currently receives, the actual percentage of reduction to their grant would be different. Based on CalWORKs Characteristic Survey (Q5) Data, the percentage of reduction to the CalWORKs average cost per case is approximately 16.9 percent.
- It is anticipated that an additional 8,400 CalWORKs cases will lose eligibility and become discontinued as a result of this MAP reduction. Administrative costs for mid-quarter activities are $8.63 per case per month and for quarterly activities are $24.95 per case per month.
- The net administrative savings is a result of cases that will discontinue due to excess income.

METHODOLOGY:

- The grant savings is calculated by multiplying the decrease in the average CalWORKs grant by the total CalWORKs caseload.
- The administrative savings from caseload reduction is calculated by multiplying the average monthly number of cases expected to lose eligibility by the average monthly cost per case.

FUNDING:

The CalWORKs grants are 97.5 percent Temporary Assistance for Needy Families (TANF) and 2.5 percent county funds.

The CalWORKs administrative savings/costs are 100 percent TANF funds.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise assumes a June 1, 2010 implementation. Therefore, the CY includes only one month of savings.

15.7 Percent Grant Reduction

EXPENDITURES:

(in 000's)

Item 101 – CalWORKs (TANF) Grant Savings	2009-10	2010-11
	Grant	Grant
Total	-$48,139	-$601,212
Federal	-46,936	-586,182
State	0	0
County	-1,203	-15,030
Reimbursements	0	0

Item 101 – CalWORKs (TANF) Administrative Savings	2009-10	2010-11
	Admin.	Admin.
Total	$0	-$3,311
Federal	0	-3,311
State	0	0
County	0	0
Reimbursements	0	0

American Recovery and Reinvestment Act of 2009 – Due to Increased Unemployment Insurance Benefit

DESCRIPTION:

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

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

The ARRA includes an increase in unemployment compensation benefits. The amount of regular compensation (excluding dependents' allowances) payable for any week shall be equal to the amount determined under state law (before the application of the ARRA benefit) plus an additional $25.

This premise reflects the impact to the California Work Opportunity and Responsibility to Kids (CalWORKs), Food Stamps (FS) and California Food Assistance Program (CFAP) associated with a $25 increase in weekly unemployment insurance (UI) benefits beginning April 1, 2009 provided in the ARRA. The increase in benefits results in grant/benefit savings for CalWORKs and CFAP. This increase also results in administrative savings for CalWORKs, FS and CFAP where recipients lose eligibility as a result of the increase UI benefit.

IMPLEMENTATION DATE:

This premise implemented on April 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Section 403 (c) of the Social Security Act.
- The CalWORKs trend caseload is used to project the number of CalWORKs cases receiving UI benefits.
- Based on Federal Fiscal Year (FFY) 2007 Food Stamp Characteristics Survey Data (Q5), approximately 1.66 percent of CalWORKs cases receive UI benefits.
- Based on FFY 2007 Q5 data, approximately 1.6 percent of CalWORKs recipients receiving unemployment insurance benefits receive a grant of $108.25 or less.
- UI benefits are considered as unearned income in CalWORKs eligibility determination and will be deducted from the recipient's grant on a dollar-for-dollar basis.
- The maximum weekly UI benefit amount increase effective April 1, 2009 is $25. This results in a CalWORKs grant reduction of $108.25 per month ($25 x 4.33 = $108.25). Therefore, CalWORKs cases receiving less than $108.25 in benefits and also receiving UI benefits will be discontinued.

American Recovery and Reinvestment Act of 2009 – Due to Increased Unemployment Insurance Benefit

KEY DATA/ASSUMPTIONS (CONTINUED):

- The UI benefit increase effective April 1, 2009 will result a $48 reduction in FS/CFAP benefits. Therefore, FS/CFAP cases receiving less than $48 in benefits and also receiving UI will be discontinued.
- Based on FFY 2008 Q5 data, there are approximately 4,914 FS cases that will be removed from aid. The average weighted benefit amount received by these cases is approximately $24.
- FS cases receiving a benefit greater than $48 that also receive UI (approximately 43,100) will receive a $48 benefit reduction.
- Based on historical experience it is assumed that CFAP benefit and administration costs consist of approximately one percent of FSP costs.
- The CFAP Public Assistance Food Stamps costs (approximately 19 percent) are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The CFAP Non-Assistance Food Stamps (NAFS) costs (approximately 81 percent) are not considered MOE eligible.
- There are 49 CFAP cases that will be removed from aid and 431 CFAP cases that will receive a $48 benefit reduction.
- Cases removed from aid result in administrative savings.
- It is assumed that the cost for an Eligibility Worker (EW) to process NAFS continuing cases on a quarterly basis is $39.33 per case.
- It is assumed that 7.20 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost for an EW to process a mid-quarter report is $28.23.
- As authorized by the federal Office of Management and Budget (OMB), a portion of the funding received under the American Recovery and Reinvestment Act (ARRA) will be used to provide support for the California Recovery Task Force (CRTF) and for the ARRA oversight and administrative activities of the various departments administering those funds. Pursuant to Executive Order S-02-09, CRTF is charged with tracking the ARRA funding coming into the state; helping cities, counties, non-profits, and others access the available funding; ensuring that the funding provided to the state is spent efficiently and effectively; and maintaining a Web site that is frequently and thoroughly updated so Californians can tract the stimulus dollars. The mechanism for accessing these federal funds and for allocating them to the CRTF and state entities administering ARRA funds is under development and is not available to include in this estimate. Consequently, a future Section 28.00 request may be submitted in the coming months to properly increase the department's federal funds reimbursement authority to fund the cost of accountability and related administrative and transparency activities.

American Recovery and Reinvestment Act of 2009 – Due to Increased Unemployment Insurance Benefit

METHODOLOGY:

- The percentage of CalWORKs cases receiving UI benefits is applied to the total CalWORKs population to determine the number of CalWORKs cases receiving UI benefits. The estimated 11,774 cases receiving UI benefits is multiplied by the increased UIB of $108.25 per month for annual grant savings of approximately $15.2 million.
- Approximately 1.6 percent of the estimated 11,774 cases receiving UI benefits receive a grant of $108.25 or less per month. Therefore, approximately 188 cases per month will be discontinued as a result of the increased UIB resulting in annual administrative savings of approximately $493,000.
- CFAP benefit savings for the cases removed from aid are calculated by multiplying the number of cases (49) by the average benefit amount ($24), and then by the number of months in the CY.
- CFAP benefit savings for the cases receiving a benefit reduction are calculated by multiplying the number of cases (431) by the benefit reduction amount ($48), and then by the number of months in the Current Year.
- CFAP administrative savings are calculated by multiplying the number of cases removed from aid (49) by the quarterly reporting and mid-quarterly reporting costs.

FUNDING:

CalWORKs grants are funded with 91.54 percent TANF, 5.95 percent General Fund (GF) and 2.5 percent county.

CalWORKs administrative services and CFAP are funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

CalWORKs – the increase in grant savings is due to a higher unemployment rate than assumed in the Appropriation (11 percent vs. 9 percent). The administrative savings was held to the Appropriation.

FS and CFAP – the increase in grant and administrative savings is due to a higher unemployment rate than assumed in the Appropriation (11 percent vs. 9 percent).

REASON FOR YEAR-TO-YEAR CHANGE:

The increased UIB benefit ends June 30, 2010.

American Recovery and Reinvestment Act of 2009 – Due to Increased Unemployment Insurance Benefit

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Grants	2009-10 Grants	2010-11 Grants
Total	-$15,193	$0
Federal	-13,908	0
State	-904	0
County	-381	0
Reimbursements	0	0

ITEM 101 - CalWORKs Admin	2009-10 Services	2010-11 Services
Total	-$421	0
Federal	-413	0
State	-8	0
County	0	0
Reimbursements	0	0

ITEM 101 - CFAP Grants	2009-10 Grants	2010-11 Grants
Total	-263	$0
Federal	0	0
State	-263	0
County	0	0

American Recovery and Reinvestment Act of 2009 – Due to Increased Unemployment Insurance Benefit

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 141 - FS Admin	2009-10 Grants	2010-11 Grants
Total	-$893	0
Federal	-446	0
State	-313	0
County	-134	0
Reimbursements	0	0

ITEM 141 - CFAP Admin	2009-10	2010-11
Total	-$15	$0
Federal	0	0
State	-15	0
County	0	0
Reimbursements	0	0

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Employment Training Fund

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

$20 million is available from the ETF in FY 2009-10, but is not available in FY 2010-11.

METHODOLOGY:

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

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

Funding amounts are determined by the Legislature. It is anticipated that no funds will be shifted for the Budget Year.

EXPENDITURES:

(in 000's)	2009-10	2010-11
	County Admin.	County Admin.
Total	-$20,000	$0
Federal	0	0
State	-20,000	0
County	0	0
Reimbursements	0	0

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

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 15204.3(a), amended by Assembly Bill (AB) 1111, Senate Bill (SB) 1104, and SB 68.
- The basic funding for these areas has been held to the Appropriation for both the Current Year (CY) and the Budget Year (BY) based on the following assumptions:
  - The base funding for CalWORKs Services Basic is $737.9 million for Fiscal Year (FY) 2008-09.
  - The employment services caseload has been increasing over the past several years, however this premise has not been adjusted due to the $90 million CalWORKs services augmentation approved in the 2006 Budget Act. The $90 million augmentation is equivalent of an increase in caseload of 12.2 percent over FY 2006-07.
  - Based on FY 2006-07 employment services expenditures, one percent of FY 2006-07 expenditures is equivalent to approximately $7.37 million.
  - The FY 2008-09 employment services caseload is projected to grow 15.5 percent above the FY 2006-07 base caseload.
  - The FY 2008-09 caseload exceeds the 12.2 percent by 3.3 percent resulting in additional funding of approximately $24.4 million dollars.
  - The FY 2009-10 caseload is projected to grow 33 percent above the FY 2006-07 base caseload resulting in an additional $128.9 million.
  - Staff development costs are $6.6 million, based on FY 2007-08 actual expenditures.
  - The Wagner-Peyser reimbursement amount is $2.7 million.
  - Time limit savings are $161.1 million.
  - The CalWORKs Services Basic expenditures for Recent Noncitizen Entrants (RNEs) are $15.3 million for both the CY and the BY. Of this, $7.7 million reflects the General Fund (GF) costs for federally eligible RNE recipients in mixed households.
  - Cal Learn RNEs are funded with GF in the amount of $257,388.
  - Contract costs are projected to be $3.9 million.
  - A single allocation adjustment amount of $191.9 million (previously budgeted in a separate premise) is now included in this premise for both the CY and the BY.
  - There is a shift in funding for the Employment Training Fund (ETF) from Temporary Assistance for Needy Families (TANF) to GF for the amount of $20 million in the CY.

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

METHODOLOGY:

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

FUNDING:

- The costs for RNE families are 100 percent GF. All other costs are 100 percent TANF.
- The GF is countable toward the state's maintenance of effort requirement.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)	2009-10	2010-11
	County Admin.	County Admin.
Total	$923,864	$923,864
Federal	895,846	895,846
State	28,018	28,018
County	0	0
Reimbursements	0	0

Reduction in Employment Services and Child Care

DESCRIPTION:

This premise reflects the Budget Action to reduce the California Work Opportunity and Responsibility to Kids (CalWORKs) program funding for child care and employment services commensurate with the Budget Act of 2009-10 (Assembly Bill [AB] X3 10). Due to the significant General Fund (GF) revenue decline for Fiscal Year (FY) 2009-10, the county single allocation funding was reduced for the CalWORKs program by $376.8 million in Temporary Assistance for Needy Families (TANF) funds. The reduction to the county single allocation in the 2009-10 Budget Act, and increased caseload for CalWORKs will result in insufficient resources to provide the full range of welfare-to-work services in FY 2009-10 and FY 2010-11. Therefore, statutory changes were enacted which allow counties the flexibility for a two-year limited period to redirect mental health and substance abuse funding, grant exemptions from welfare-to-work (WTW) participation, and grant time limit exemptions to address funding constraints (see the CalWORKs County Exemptions and Flexibility premise). This premise also reflects increased grant costs in anticipation that counties will not be able to provide child care services and employment services to all WTW recipients as a result of the reduction discussed above.

IMPLEMENTATION DATE:

Enactment date was July 28, 2009 and the implementation date was August 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: 2009-10 Budget Act Chapter 4, Statutes of the Fourth Extraordinary Session of 2009. Welfare and Institutions Code section 11329.5.
- The CalWORKs Budget Action includes a reduction of $376.8 million in TANF funds for FY 2009-10. The reduction is split $215.3 million to child care services and a reduction of $161.5 million to employment services.
- The reduction amounts have been held in the Budget Year (BY).
- Based on current average child care costs, it is assumed that approximately 12,172 cases/families will lose child care/employment services as a result of the reduction discussed above. Of the 12,172 cases/families, approximately 4,518 are families with young children.
- The estimate assumes that those cases/families participating 30 hours or more, 100 percent will continue to work and receive child care services.
- The estimate assumes that those cases/families participating at some level, the following will occur: those participating 1-9 hours, 100 percent will lose child care/employment services and will discontinue their participation; those participating 10-19 hours, 50 percent will lose child care/employment services and will discontinue their participation while the remaining 50 percent will continue to voluntarily participate.
- For those participating 20-29 hours, 25 percent will lose child care/employment services and will discontinue their participation while the remaining 75 percent will continue to voluntarily participate.

Reduction in Employment Services and Child Care

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimate assumes that approximately 71 percent of cases/families participate in work.

METHODOLOGY:

- The CalWORKs Budget Action includes a reduction of $376.8 million in TANF funds for FY 2009-10. The reduction is split $215.3 million to child care services and a reduction of $161.5 million to employment services.
- The reduction amounts have been held in the BY.
- Approximately 12,172 cases/families will lose child care/employment services as a result of the reduction discussed above. Consequently fewer families will work resulting in increased grant costs of approximately $5.1 million as noted below.

Work Participation	Grant Cost	Cases with Young Children	All Other Cases	Total Cases	Increased Grant Costs
1-9 hours		1,157	5,519	6,676	$0
10-19 hours	$164	1,290	94	1,384	$2,716,031
20-29 hours	$348	587		587	$2,448,230
30 hours or more					
Total cases that lose child care – paid activities		3,034	5,613	8,647	$5,164,261
Total cases that lose child care – non paid activities		1,484	2,014	3,525	$0
Total cases that lose child care		4,518	7,654	12,172	$5,164,261

FUNDING:

Reduction – the funding in the Current Year (CY) and the Budget Year (BY) is 100 percent TANF funds.

Grant Savings – the funding in the CY and the BY is 91.54 percent TANF, 5.95 percent GF, and 2.51 percent county.

Reduction in Employment Services and Child Care

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Services	2009-10 Services	2010-11 Services
Total	-$161,507	-$161,507
Federal	-161,507	-161,507
State	0	0
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Stage One Child Care	2009-10 Child Care	2010-11 Child Care
Total	-$215,343	-$215,343
Federal	-215,343	-215,343
State	0	0
County	0	0
Reimbursements	0	0

Reduction in Employment Services and Child Care

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CalWORKs Grants	2009-10 Services	2010-11 Services
Total	$5,164	$5,164
Federal	4,727	4,727
State	307	307
County	130	130
Reimbursements	0	0

Employment Services Ramp-Up

DESCRIPTION:

This premise reflects the employment services costs, including case management, of preparing for the long-term reforms in the Temporary Assistance for Needy Families (TANF)/California Work Opportunity and Responsibility to Kids (CalWORKs) program enacted with Assembly Bill (AB) X4 8. These reforms become effective on July 1, 2011. The CalWORKs program had a mandated reduction in funding of $376 million ($161 million from employment services and $215 million from child care) in Fiscal Year (FY) 2009-10 and FY 2010-11. AB X4 4 enacted short-term reforms that provided counties the flexibility to exempt clients from participation when the county could not provide supportive services or in cases where parents had young children. These temporary exemptions become inactive on June 30, 2011, at which time the clients that qualified for these exemptions will be required to participate in the CalWORKs program. It is anticipated that counties will need a minimum of six to nine months to prepare for the long-term reforms. The California Department of Social Services (CDSS) proposes that the counties be restored a portion of the reduction in funding in FY 2010-11 to meet this goal.

IMPLEMENTATION DATE:

This premise assumes the funding will be restored in FY 2010-11.

KEY DATA/ASSUMPTIONS:

- Pursuant to Welfare and Institutions Code section 11320.3(g)(2) CDSS, in consultation with the County Welfare Directors Association of California, will develop a process prior to January 1, 2011, to assist clients with reengagement in welfare-to-work activities by July 1, 2011.
- Assuming counties need to begin to ramp-up no later than January 1, 2011, funding has been restored to sufficiently allow counties to ramp-up staffing and services in order to implement the long-term reforms by July 1, 2011.
- The Stage One child care budget was held to the Appropriation and counties have been budgeted more than sufficient funding to meet estimated child care costs in FY 2010-11. Therefore, $46.7 million has been shifted to CalWORKs Employment Services.

METHODOLOGY:

- Assuming counties need to begin to ramp-up no later than January 1, 2011, funding has been restored to sufficiently allow counties to ramp-up staffing and services in order to implement the long-term reforms July 1, 2011.
- The Stage One child care budget was held to the Appropriation and counties have been budgeted more than sufficient funding to meet estimated child care costs in FY 2010-11. Therefore, $46.7 million has been shifted to CalWORKs Employment Services.

FUNDING:

This proposal is funded with 100 percent TANF.

Employment Services Ramp-Up

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Budget Year only proposal.

EXPENDITURES:

(in 000's)

101 – CalWORKs Services

	2009-10 Services	2010-11 Services
Total	$0	$46,678
Federal	0	46,678
State	0	0
County	0	0
Reimbursements	0	0

101 – CalWORKs Child Care

	2009-10	2010-11
Total	$0	-$46,678
Federal	0	-46,678
State	0	0
County	0	0
Reimbursements	0	0

Previous CalWORKs Reform Efforts

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 10533, 10534, 10540.6,10544, 11322.8, 11325.21.
- This premise assumed that some cases not previously participating/working would begin to do so and some cases would increase their level of participation.
- Recent data demonstrates an increase in the number of cases participating/working. However, the increased participation did not have an impact on federal WPR.
- The grant savings associated with increasing participation is assumed to be reflected in the CalWORKs expenditure trend.
- The child care costs attributable to cases increasing hours of participation are included in the trend child care caseload.
- Pursuant to AB 1808, the Budget includes an additional $90 million in federal TANF block grant funds for the CalWORKs program to assist the counties in improving their WPR. This estimate assumes full expenditure of the $90 million in employment services in the Current Year (CY) and assumes an additional $90 million in the Budget Year (BY).

METHODOLOGY:

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

Previous CalWORKs Reform Efforts

FUNDING:

The funding is 100 percent TANF for both the CY and the BY.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

101 – CalWORKs Services	2009-10	2010-11
	Services	Services
Total	$90,000	$90,000
Federal	90,000	90,000
State	0	0
County	0	0
Reimbursement	0	0

CalWORKs Safety Net Program

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

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

Grants

- The average monthly grant ($460.80) for Safety Net cases is calculated using actual data reported on the February 2009 to April 2009 CA 800 and CA 237 reports.
- The average monthly Safety Net caseload is 52,578 in the CY.
- The average monthly Safety Net caseload is 56,507 in the BY.

Services

- This item is being held to the Appropriation for the CY and BY.

Administration

- The Safety Net caseload was approximately 11 percent of the CalWORKs All Family caseload.

CalWORKs Safety Net Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- The funding for the CY is held to the Appropriation and the BY is based on actual expenditures from the July 2008 to June 2009 County Expense Claim (CEC) which totaled $28.1 million.

Child Care

- The funding for the CY and BY is held to the Appropriation.

METHODOLOGY:

Grants

- For the CY and the BY, Safety Net grant costs are calculated by multiplying the average monthly Safety Net cases by the cost per case (BY: 56,507 x $460.80 x 12).

Services

- In prior budget cycles, Safety Net employment services costs have been based on actual expenditures plus caseload growth

Administration

- The funding for the CY is held to the Appropriation. For the BY, Safety Net administration costs are based on actual expenditures for the period July 2008 to June 2009 plus caseload growth (BY: $30.4 million + $30.4 million x 7.47 percent).

Child Care

- The funding for the CY and BY is held to the Appropriation.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

The increase in grant costs is due to caseload growth (52,578 vs. 52,011) and a decrease in the cost per case ($460.80 vs. $463.46). Services, Administration, and Child Care Costs were held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in grant costs is due to caseload growth (56,507 vs. 52,578). The decrease in administrative costs is due to lower expenditures claimed by the counties. There is no change to Services and Child Care.

CalWORKs Safety Net Program

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Grants	2009-10 Grants	2010-11 Grants
Total	$290,733	$312,462
Federal	0	0
State	283,465	304,650
County	7,268	7,812
Reimbursements	0	0

CalWORKs Services	2009-10 Services	2010-11 Services
Total	$6,714	$6,714
Federal	0	0
State	6,714	6,714
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Administration	2009-10 Admin.	2010-11 Admin.
Total	$33,758	32,704
Federal	0	0
State	33,758	32,704
County	0	0
Reimbursements	0	0

CalWORKs Safety Net Program

ITEM 101 -	2009-10	2010-11
CalWORKs Stage One Child Care	Child Care	Child Care
Total	$4,245	$4,245
Federal	0	0
State	4,245	4,245
County	0	0
Reimbursements	0	0

Substance Abuse Services

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 11322.6 and 11325.8.
- Total Substance Abuse expenditures for Fiscal Year (FY) 2006-07 were $47,451,438.
- Total Substance Abuse expenditures for FY 2007-08 were $50,791,544.
- Total Substance Abuse expenditures for FY 2008-09 were $47,787,413.

METHODOLOGY:

- The Current Year (CY) amount was held to the allocation of $54 million.
- The Budget Year (BY) amount is calculated by using the average annual percentage change for the previous two fiscal years to project BY expenditures.
    - The percentage increase in expenditures from FY 2006-07 to FY 2007-08 was 7.04 percent.
    - The percentage decrease in expenditures from FY 2007-08 to FY 2008-09 was 5.92 percent.
    - The average annual increase from FY 2006-07 to FY 2008-09 was 0.56 percent.
- The FY 2010-11 budgeted amount is calculated as follows:
    - $47.79 million (FY 2008-09 expenditures) x 1.0056 (percent increase) = $48.06 million (estimated FY 2009-10 expenditures).
    - $48.06 million (estimated FY 2009-10 expenditures) x 1.0056 (percent increase) = $48.33 million (estimated FY 2010-11 expenditures).

Substance Abuse Services

FUNDING:

Funding for this premise is 100 percent General Fund and countable toward the Temporary Assistance for Needy Families maintenance of effort requirement.

CHANGE FROM THE APPROPRIATION:

There is no change, as the amount was held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The change from the CY to the BY reflects a declining trend in expenditure levels.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Services	County Services
Total	$54,342	$48,326
Federal	0	0
State	54,342	48,326
County	0	0
Reimbursements	0	0

Mental Health Services

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11322.6.
- Total Mental Health expenditures for Fiscal Year (FY) 2006-07 were $60,901,989.
- Total Mental Health expenditures for FY 2007-08 were $63,711,214.
- Total Mental Health expenditures for FY 2008-09 were $66,197,079.

METHODOLOGY:

- The Current Year (CY) expenditures were held to the Appropriation of $70.3 million.
- The estimate is calculated by using the average annual percentage change for the previous two fiscal years to project the Budget Year (BY) expenditures.
- The BY expenditures were calculated by increasing the last FY expenditure amount by the average percentage growth rate of Mental Health expenditures for the previous two fiscal years.
    - The percentage increase in expenditures from FY 2006-07 to FY 2007-08 was 4.61 percent.
    - The percentage increase in expenditures from FY 2007-08 to FY 2008-09 was 3.90 percent
    - The average annual increase from FY 2006-07 to FY 2008-09 was 4.26 percent.
- The FY 2010-11 budgeted amount is calculated as follows:
    - $66.2 million (FY 2008-09 expenditures) x 1.0426 (percent increase) = $69.0 million for FY 2009-10.
    - $69.0 million (FY 2009-10 expenditures) x 1.0426 (percent increase) = $72 million for FY 2010-11.

Mental Health Services

FUNDING:

The funding for this premise is 100 percent General Fund and is countable toward the Temporary Assistance for Needy Families maintenance of effort requirement.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase from the CY to the BY reflects a slightly increased growth in expenditure levels.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Services	County Services
Total	$70,322	$71,953
Federal	0	0
State	70,322	71,953
County	0	0
Reimbursements	0	0

Mental Health/Substance Abuse Services for Indian Health Clinics

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11322.6.
- The Legislature appropriated $1.9 million for mental health and substance abuse services in 36 Indian health clinics.
- Each mental health and substance abuse services clinic receives approximately $53,972.
- There are 32 clinics operating in FY 2009-10.
- There are 36 clinics anticipated in FY 2010-11.

METHODOLOGY:

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

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

The decrease in funding for the Current Year is associated with four fewer Indian health clinics receiving funding than was assumed in the Appropriation.

Mental Health/Substance Abuse Services for Indian Health Clinics

REASON FOR YEAR-TO-YEAR CHANGE:

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

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	$1,727	$1,943
Federal	0	0
State	1,727	1,943
County	0	0
Reimbursements	0	0

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

DESCRIPTION:

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

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

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

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

KEY DATA/ASSUMPTIONS:

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

<u>ECF-Subsidized Employment</u>

- This premise includes ECF funds for increased subsidized employment only. ECF for basic assistance is budgeted separately. CDSS is continuing to work with the counties and the County Welfare Directors Association (CWDA) to determine the amount of ECF funds the state may be eligible to receive for non-recurring short term benefits.
- California will use FFY 2007 as the base year for ECF subsidized employment.
- Base Year expenditures for FFY 2007 subsidized employment are $21.4 million ($7.0 million from CWD expenditures and $14.4 million from CCC work study and job development programs.

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

KEY DATA/ASSUMPTIONS (CONTINUED):

- Expenditures for FFY 2009 reflect actual expenditures for benefits, wages, and taxes as separately claimed on the County Expense Claims (CEC). In addition, an administrative cost rate of 38 percent was included to capture other subsidized employment related (admin, etc) expenditures not separately identified on the CEC and is consistent with the base year as noted above. FFY 2009 expenditures for subsidized employment are approximately $36.9 million ($19.6 million from CWD expenditures and $17.3 million for CCC work study and job development programs).
- The base quarterly expenditures will be compared to the projected quarterly expenditures for the period October 1, 2008 through September 30, 2010 (ARRA ECF eligibility period). See chart provided in Methodology Section.
- As authorized by the federal Office of Management and Budget (OMB), a portion of the funding received under the American Recovery and Reinvestment Act (ARRA) will be used to provide support for the California Recovery Task Force (CRTF) and for the ARRA oversight and administrative activities of the various departments administering those funds. Pursuant to Executive Order S-02-09, CRTF is charged with tracking the ARRA funding coming into the state; helping cities, counties, non-profits, and others access the available funding; ensuring that the funding provided to the state is spent efficiently and effectively; and maintaining a Web site that is frequently and thoroughly updated so Californians can track the stimulus dollars. The mechanism for accessing these federal funds and for allocating them to the CRTF and state entities administering ARRA funds is under development and is not available to include in this estimate. Consequently, a future Section 28.00 request may be submitted in the coming months to properly increase the department's federal funds reimbursement authority to fund the cost of accountability and related administrative and transparency activities.

<u>Subsidized Employment – Grant Savings/Administrative Savings</u>

- This premise assumes that approximately 97,000 subsidized employment slot/months will be available during the period July 2009 to September 2010. The estimate further assumes that on average subsidized employment clients earn approximately $1,348 per month and that on average clients work approximately 32 hours per week.
- This premise assumes that approximately 87 percent of the subsidized employment slots will be filled with California Work Opportunity and Responsibility to Kids (CalWORKs) clients and that approximately 25 percent of CalWORKs clients will become ineligible for the CalWORKs program as a result of securing a subsidized employment slot.
- For Fiscal Year (FY) 2009-10 and FY 2010-11, the premise assumes grant savings of approximately $27 million and $6.9 million respectively. The estimate further assumes administrative savings of $131,000 and $42,000 respectively.

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

KEY DATA/ASSUMPTIONS (CONTINUED):

Subsidized Employment – Funding

- Pursuant to language included in Assembly Bill (AB) X4 4, Statutes of 2009 Fourth Extraordinary Session, AB 98 activities were suspended through September 30, 2010 and allowed for AB 98 resources to be used to fund the subsidized employment base year costs of the county.
- For FY 2009-10, the counties will receive approximately $9.078 million for subsidized employment ($5.963 million from the 2009-10 Appropriation for AB 98 activities, $2.115 million in ECF that was earned from county expenditures in the first three quarters of FFY 2009, and an additional $1.0 million in TANF funds).
- For FY 2010-11, the counties will receive approximately $2.443 million for subsidized employment ($1.5 million from funds previously used for AB 98 activities, $0.693 million in ECF that was earned from county expenditures in the first three quarters of FFY 2009, and an additional $0.25 million in TANF funds).

METHODOLOGY:

	July - Sept	Oct - Dec	Jan - Mar	Apr - June	Total ECF
Base Expenditures		4,825,652	5,256,870	5,823,546	
FY 2008-09 Projections (retroactive period)		7,062,625	7,037,994	7,446,838	
Difference		2,236,973	1,781,124	1,623,292	
80 percent ECF		1,789,578	1,424,899	1,298,634	$ 4,513,111

	July - Sept	Oct – Dec	Jan - Mar	Apr - June	Total ECF
Base Expenditures	5,511,140	4,825,652	5,256,870	5,823,546	
FY 2009-10 Projections	15,326,334	50,665,211	67,502,136	80,417,564	
Difference	9,815,194	45,839,559	62,245,266	74,594,018	
80 percent ECF	7,852,155	36,671,647	49,796,213	59,675,214	$ 53,995,230
Total FY 2009-10	7,852,155	36,671,647	49,796,213	59,675,214	$158,508,341

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

METHODOLOGY (CONTINUED):

	July - Sept	Oct - Dec	Jan - Mar	Apr - June	Total ECF
Base Expenditures	5,511,140				
FY 2010-11 Projections	57,169,778				
Difference	51,658,638				
80 percent ECF	41,326,910				$ 41,326,910

FUNDING:

For the Current Year (CY) and Budget Year (BY), the ARRA program funds are 100 percent ECF funds. The grant savings are 91.54 percent TANF, 5.95 percent General Fund (GF), and 2.51 percent county. The administrative savings are 100 percent GF.

For the CY, the subsidized employment funds are approximately 34 percent TANF and 66 percent GF. For the BY, the funds are approximately 39 percent TANF and 61 percent GF.

CHANGE FROM THE APPROPRATION:

Due to lower projections from the county, ECF funds and grant savings are lower than in the Appropriation. Due to reductions in the CCC's budget, the funds needed to meet the subsidized employment base are higher than in the Appropriation. Administrative savings were held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The ARRA subsidized employment program ends on September 30, 2010. Therefore, the BY includes funds for only one quarter.

EXPENDITURES:

(in 000's)

	2009-10 TANF ECF	2010-11 TANF ECF
Total	$158,508	$41,327
Federal	158,508	41,327
State	0	0
County	0	0
Reimbursements	0	0

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

EXPENDITURES (CONTINUED):

(in 000's)

	2009-10 Grant Savings	2010-11 Grant Savings
Total	-$27,023	-$6,991
Federal	-24,737	-6,400
State	-1,608	-416
County	-678	-175
Reimbursements	0	0

	2009-10 Admin Savings	2010-11 Admin Savings
Total	-$131	-$42
Federal	-131	-42
State	0	0
County	0	0
Reimbursements	0	0

	2009-10 Services	2010-11 Services
Total	$9,078	$2,443
Federal	3,115	943
State	5,963	1,500
County	0	0
Reimbursements	0	0

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County Performance Incentives

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

This premise implemented January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: Welfare and Institutions Code sections 10544.1 and 10544.2.
- Section 10544.2 provides that incentive funds shall be available for encumbrance and expenditure by counties without regard to fiscal year until all funds are expended. Based on the latest expenditure information reported by the counties, as of September 2009, the unexpended performance incentive balance was $3.288 million.

METHODOLOGY:

It is anticipated that the balance available in FY 2009-10 will be $3.288 million. There will be no remaining funds available in FY 2010-11.

FUNDING:

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

County Performance Incentives

CHANGE FROM THE APPROPRIATION:

The Appropriation assumed that all funds would be spent in FY 2008-09.

REASON FOR YEAR-TO-YEAR CHANGE:

It is projected that there will be no remaining funds available in FY 2010-11.

EXPENDITURES:

(in 000's)

	2009-10 Services	2010-11 Services
Total	$3,288	$0
Federal	3,288	0
State	0	0
County	0	0
Reimbursements	0	0

Effect of EDD Wagner-Peyser Reimbursement

DESCRIPTION:

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

IMPLEMENTATION DATE:

This is an ongoing premise based on an annual appropriation.

METHODOLOGY:

Funding amounts are identified and provided by EDD.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$2,735	$2,735
Federal	0	0
State	0	0
County	0	0
Reimbursements	2,735	2,735

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Base Veto

DESCRIPTION:

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

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

METHODOLOGY:

Fiscal Year (FY) 2009-09 and FY 2010-11: Reduction of $60 million to the CalWORKs' Single Allocation.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	-$60,000	-$60,000
Federal	-60,000	-60,000
State	0	0
County	0	0
Reimbursements	0	0

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TANF Pass-Through for State Agencies

DESCRIPTION:

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

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

The purpose of the CCC pass-through is to reimburse CCC for the federal share of costs of educational services provided to participants of the WTW program. The purpose of the CDE pass-through is to reimburse CDE for the federal share of costs of average daily attendance hours, including CalWORKs WTW hours that exceed each school district's cap. The CDPH pass-through is for Community Challenge Grant projects aimed at reducing adolescent and unwed pregnancies, and encouraging father-child involvement by linking community-based organizations, schools, health educators, social service providers, parents, and youth. In addition, for Fiscal Year (FY) 2009-10 the CCC will receive additional funds related to the American Recovery and Reinvestment Act (ARRA) Emergency Contingency Fund (ECF) subsidized employment program.

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

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

	FY 2009-10	FY 2010-11
CCC	$ 8.39 million	$ 8.39 million
CCC – ECF	$ 6.25 million	$ 0.00 million
CDE	$ 9.98 million	$ 9.98 million
CDPH	$20.00 million	$20.00 million

METHODOLOGY:

The California Department of Social Services (CDSS) entered into interagency agreements that specified the amounts of TANF funds to be transferred from CDSS to the contracting departments. In addition, the CCC will receive approximately $6.25 for work subsidy and job development costs (approximately $2.3 million from ECF funds that the CCC earned in the first three quarters of Federal Fiscal Year 2009 and an additional $3.95 million in TANF funds).

FUNDING:

This premise is funded with TANF and ECF funds

CHANGE FROM THE APPROPRIATION:

The increase is due to funds received for the ECF subsidized employment program.

TANF Pass-Through for State Agencies

REASON FOR YEAR-TO-YEAR CHANGE:

The funds for the ECF subsidized employment program are budgeted in the Current Year.

EXPENDITURES:

(in 000's)

	2009-10 Services	2010-11 Services
Total	$44,625	$38,374
Federal	44,625	38,374
State	0	0
County	0	0
Reimbursements	0	0

Cal Learn

DESCRIPTION:

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

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

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

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

IMPLEMENTATION DATE:

This premise implemented on April 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11331.7.
- Fiscal Year (FY) 2009-10 services and administration costs were held to the Appropriation.
- The projected average monthly caseload for Cal Learn is 10,359 in FY 2009-10 and 12,285 in FY 2010-11.
- Cal Learn incentives include a $100 bonus per report card period for satisfactory progress and a $500 bonus upon graduation. The disincentive is a $100 sanction per report card period for failure to submit a report card or to make adequate progress.
- The sanctioned caseload (439 in FY 2009-10 and 491 in FY 2010-11) represents 4.0 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 FY 2008-09.
- The sanctioned grant cost is $484 per month. These rates are based on the Maximum Aid Payment (MAP) for an assistance unit (AU) of two minus the $100 sanction.
- Based on the actual FY 2008-09 caseload, as reported on the Stat 45 Reports, it is assumed that 5.6 percent of the Cal Learn participants receive the $100 bonus and 1.0 percent receives the $500 bonus.

Cal Learn

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average hourly eligibility worker (EW) cost is $57.57.
- It is assumed the EW requires one hour of administrative time per month for each case.
- The case management cost for Budget Year (BY) is $2,622 per case per year for all activities performed by the case manager. The rate is based on FY 2008-09 case management expenditures divided by the total Cal Learn caseload.
- In BY it is assumed that 18.90 percent of the total Cal Learn caseload will utilize transportation services at a cost of $41.10 per month per participant. The utilization rate is based on FY 2008-09 caseload as reported on the monthly Stat 45 Reports. The cost is based on FY 2008-09 county transportation expenditure claims.
- In BY it is assumed that 2.8 percent of the total Cal Learn caseload will utilize ancillary services at a cost of $110.98 per month per participant. The utilization rate is based on FY 2008-09 caseload as reported on the monthly Stat 45 Reports. The cost is based on FY 2008-09 county ancillary expenditure claims.
- Subsidized child care is available for Cal Learn participants attending high school. Please refer to the “CalWORKs Child Care - Stage One Services and Administration” premise for the assumptions and methodology used to develop the estimate.
- The funding for FY 2010-11 for Services and Administration costs are based on the following key data/assumptions:
    - Automation costs for Cal Learn tracking is approximately $185,650.
    - The Recent Noncitizen Entrants (RNE) caseload of 184 in FY 2010-11 represents 1.5 percent of the projected Cal Learn caseload and is funded with GF.
    - The sanctioned caseload of 491 in FY 2010-11 represents 4.0 percent of the projected Cal Learn caseload and is funded with GF.

METHODOLOGY:

- Fiscal Year (FY) 2009-10 services and administration costs were held to the Appropriation.
- For FY 2010-11, the case management cost was multiplied by the projected Cal Learn caseload to determine the annual cost.
- The EW cost of $57.57 per hour was multiplied by the Cal Learn caseload, and then multiplied by 12 months to determine the annual county administration cost.

Cal Learn

METHODOLOGY (CONTINUED):

- In BY the transportation cost was determined by multiplying the Cal Learn caseload by the transportation utilization rate of 18.90 percent, multiplied by the transportation cost per case of $41.10, and then multiplied by 12 months to determine the annual cost.
- In BY the ancillary service cost was determined by multiplying the Cal Learn caseload by the ancillary utilization rate of 2.8 percent, multiplied by ancillary cost per case of $110.98, and then multiplied by 12 months to determine the annual cost.
- The utilization rates for the $100 (5.6 percent) and $500 (1 percent) bonuses were each multiplied by the total caseload, then multiplied by 12 to determine the annual costs. The 1.5 percent of bonuses for RNE cases are backed out and displayed in a separate premise.
- The state-only (sanctioned) rate was multiplied by the total caseload to determine the sanctioned caseload, multiplied by the MAP for an AU of two minus $100 to determine the sanctioned grant costs.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

The CY services and administration costs were held to Appropriation. The CY increase in grant bonus and sanction costs is due to an increase in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase in services and admin costs is related to an increase in caseload. The increase in bonuses, sanctioned grants, and services costs is due to a caseload increase in the BY.

CASELOAD:

	2009-10	2010-11
Average Monthly Caseload	10,359	12,285

Cal Learn

EXPENDITURES [1]:
(in 000's)

101 – CalWORKs Bonuses	2009-10	2010-11
	Grant	Grant
Total	$1,373	$1,539
Federal	1,373	1,539
State	0	0
County	0	0
Reimbursement	0	0

101 – CalWORKs Sanctioned Grants	2009-10	2010-11
	Grant	Grant
Total	$2,544	$2,852
Federal	0	0
State	2,544	2,852
County	0	0
Reimbursement	0	0

101 – CalWORKs Services & Administration	2009-10	2010-11
	Services	Services
Total	$36,141	$42,169
Federal	34,494	40,163
State	1,647	2,006
County	0	0
Reimbursement	0	0

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

TANF/CalWORKs Administrative Costs – Basic

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 14154.
- The Current Year (CY) estimate is held to the Appropriation.
- For FY 2009-10, base funding (updated for revised caseload projections) is projected to be $777.74 million.
- The CalWORKs caseload is projected to increase 8.39 percent in FY 2010-11.
- Staff development costs in FY 2010-11 are projected to be $12.3 million based on actual expenditures from July 2008 to June 2009.
- Statewide Automated Welfare System (SAWS) development and testing interface costs are $129,000 in FY 2010-11.
- Administrative costs related to the Merced Automated Global Information Control (MAGIC) automation system are $272,000 in FY 2010-11.
- Electronic Benefit Transfer (EBT) savings are $10.6 million in FY 2010-11.
- Homeless Assistance costs are projected to be $.5 million in FY 2010-11.
- Time limit savings are $35 million in FY 2010-11.
- Legacy Systems savings are $12.1 million in FY 2010-11.
- Contract costs are $4.1 million for FY 2010-11.
- In FY 2010-11, $8.4 million of the CalWORKs Administrative Basic expenditures are for Recent Noncitizen Entrants (RNE). Of the $8.4 million, $4.2 million reflects the federally eligible recipients in mixed households.

TANF/CalWORKs Administrative Costs – Basic

METHODOLOGY:

The basic funding from FY 2009-10 is adjusted to reflect the projected increase in caseload, staff development expenditures, savings for EBT, Homeless Assistance, time limits, Legacy Systems, the MAGIC system, the SAWS development and testing, and contract costs. Funds for TANF ineligible RNEs were subtracted and shifted to the RNE premise. (For more information see separate RNE premise.)

FUNDING:

- The costs for RNE families are 100 percent General Fund (GF).
- For FY 2009-10 and FY 2010-11, all other costs are 94.47 percent TANF and 5.53 percent state MOE. Due to a federal audit exception, TANF hardship cases will be funded with MOE instead of TANF funds effective July 1, 2009.
- The GF is countable toward the state's MOE.

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

CHANGE FROM THE APPROPRIATION:

The CY was held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year change reflects a projected increase in the CalWORKs caseload.

EXPENDITURES:

(in 000's)	2009-10	2010-11
	County Admin.	County Admin.
Total	$780,987	$797,068
Federal	730,672	748,545
State	50,315	48,523
County	0	0
Reimbursements	0	0

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

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

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

METHODOLOGY:

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

FUNDING:

The funds are 100 percent TANF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

101- CalWORKs Administration	2009-10	2010-11
Total	$140,000	$140,000
Federal	140,000	140,000
State	0	0
County	0	0
Reimbursements	0	0

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Work Verification

DESCRIPTION:

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

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

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

- The Current Year (CY) and the Budget Year (BY) funding has been held to the Appropriation.
- Funding may be used by counties to hire additional staff, retrain existing staff, and/or pay for staffs' additional workload to document and verify work participation required by federal law. Clearly documenting and verifying an individual's participation will enhance California's ability to meet the federal work participation rates and avoid penalties associated with inadequate documentation and verification of the data used in calculating the rates.
- Based on information from the County Welfare Directors Association of California, of the cases that are currently participating through work activities in Fiscal Year (FY) 2009-10, 80 percent of cases have pay stubs that fulfill work verification requirements (documented hours for which the individual was paid); 20 percent of cases will require additional documentation by the county.
- It is assumed that 100 percent of the cases that participate through non-work activities will require additional documentation by the county.
- Per Q5 data, the total pre-60 month cases that are subject to work participation (including sanction cases) amount to 276,566. Of this figure, 41.6 percent or approximately 115,064 cases are participating at some level.

Work Verification

KEY DATA/ASSUMPTIONS (CONTINUED):

- Of the 115,064 cases that participate at some level and noted above, 56 percent participate either partially or fully through work activities. 44 percent fully participate through non-work activities.

- Per Q5 survey data, 26 percent of the safety net caseload is projected to participate either partially or fully through work activities. Five percent are projected to fully participate through non-work activities. This assumes the impact of the Modified Safety Net proposal.

- The average hourly eligibility worker (EW) cost is $57.57. It is assumed that it will take ten minutes ($9.60) of administrative time per month to verify participation for cases that participate through work, and 15 minutes ($14.39) of administrative time per month for cases that participate through non-work activities.

METHODOLOGY:

- For FY 2009-10, approximately 276,566 pre-60 month cases will be subject to work participation requirements. Of this figure, 41.6 percent or approximately 115,064 cases are participating at some level. Of the 115,064 that are participating at some level, 56 percent or 64,436 will participate through work activities and 44 percent or 50,628 will participate in non work activities.

    - Of the 64,436 that participate through work activities, 80 percent have pay stubs and do not require work verification, the remaining 20 percent will require work verification at a cost of $1.5 million (10 minutes per case).

    - Of the 50,628 that participate in non work activities, 100 percent will require work verification at a cost of $8.8 million (15 minutes per case).

- For FY 2009-10, approximately 13,580 safety net cases will participate through work activities and 2,595 cases will participate through non work activities.

    - Of the 13,580 that participate through work activites, 100 percent will require work verification at a cost of 1.6 million (10 minutes per case).

    - Of the 2,595 that participate in non work activities, 100 percent will require work verification at a cost of $.5 million (15 minutes per case).

FUNDING:

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

Work Verification

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

ITEM 101-
CalWORKs Administration

	2009-10 Admin.	2010-11 Admin.
Total	$12,240	$12,240
Federal	8,336	8,336
State	3,904	3,904
County	0	0
Reimbursements	0	0

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Be Vu v. Mitchell

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

- Federal Food Stamp Regulations Title 7, Code of Federal Regulations sections 272.4 (b)(2)(i), (ii), and (iii).
- The amount for the Fiscal Year (FY) 2009-10 was held to the Appropriation. Automation reprogramming is not scheduled for the final eight languages; therefore, additional staff time will result in costs of $0.1 million in the FY 2009-10 and $0.1 million in the FY 2010-11.

METHODOLOGY:

The funding in FY 2009-10 has been held to the Appropriation. Total costs associated with the manual completion of the translated forms are estimated to be $0.1 million in the Current Year (CY) and $0.1 million in the Budget Year (BY).

FUNDING:

Manual completion costs are shared 50/50 with the CalWORKs and FSP. The CalWORKs share is funded with 100 percent federal/Temporary Assistance for Needy Families (TANF), and the FSP share is funded 50 percent federal Food and Nutrition Services (FNS) funds, 35 percent General Fund (GF), and 15 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change for the CalWORKS Admin. The change in the Food Stamps Admin is associated with increase in caseload.

REASON FOR YEAR-TO YEAR CHANGE:

The change in the CalWORKS Admin is associated with a projected increase in caseload. The Food Stamp (FS) Admin has no change.

Be Vu v. Mitchell

EXPENDITURES:

(in 000's)

ITEM 101 – CalWORKs Administration	2009-10	2010-11
Total	$75	$88
Federal	74	87
State	1	1
County	0	0
Reimbursements	0	0

ITEM 141 – Food Stamp Administration	2009-10	2010-11
Total	$88	$88
Federal	87	44
State	1	31
County	0	13
Reimbursements	0	0

Fraud Recovery Incentives

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11486(j).
- Based on the FNS 209 Status of Claims Against Households, client-caused overpayments represent 55.7 percent of all collections.
- The total overpayment collections were $58.5 million for the Fiscal Year (FY) 2008-09.
- The total estimated overpayment collections are $59 million for the FY 2009-10.
- Based on the amount of overpayment collections, incentive payments are made annually to the counties in arrears.
- Effective with the passage of AB 444, the counties receive 12.5 percent of the savings due to client-caused overpayments.
- Overpayments are assumed to be funded 97.5 percent TANF/maintenance of effort and 2.5 percent county.

METHODOLOGY:

The county incentive payment is the product of the total collections multiplied by the TANF share of collections (97.5 percent), multiplied by the percentage of client-caused errors (55.7 percent), and multiplied by the county incentive (12.5 percent).

FUNDING:

The costs are 100 percent TANF.

Fraud Recovery Incentives

CHANGE FROM THE APPROPRIATION:

The actuals for the FY 2008-09 came in lower than the projection.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is associated with a projected increase in overpayment collections.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
ITEM 101 – TANF	County Admin.	County Admin.
Total	$3,974	$4,006
Federal	3,974	4,006
State	0	0
County	0	0
Reimbursements	0	0

TANF and NAFS Programs – PA to NA Fund Shift

DESCRIPTION:

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

The federal Department of Health and Human Services Division of Cost Allocation directed the California Department of Social Services to distribute costs for the eligibility determination activity among the benefiting programs. The methodology develops ratios based upon CalWORKs and Public Assistance Food Stamp (PAFS) caseload and administrative expenditure data to determine the portion of the Eligibility, Case Management, and Program Integrity activity costs in CalWORKs that benefit the FS program. The PAFS allocation for common intake costs is also included in the cost shift.

IMPLEMENTATION DATE:

This premise implemented in March of 1984.

KEY DATA/ASSUMPTIONS:

- The PAFS amount for Fiscal Year (FY) 2009-10 is held to the Appropriation.
- The ongoing case activity costs shifted to FS in FY 2008-09 was $144.6 million.
- The CalWORKS caseload is projected to grow by 10.6 percent in FY 2009-10 and an additional 8.4 percent in the FY 2010-11.
- The eligibility worker common intake administrative costs are divided equally among CalWORKs, PAFS and Medi-Cal. The PAFS share of the common intake costs is projected to be $73.8 million in the FY 2010-11.

METHODOLOGY:

The Budget Year (BY) costs were calculated by growing the base funding by the anticipated CalWORKs caseload growth and then adding the common intake costs to the total.

	FY 2008-09 eligibility costs	$ 144.6 million
+	additional projected percent caseload growth of 10.6 percent from FY 2008-09 to the FY 2009-10 and an additional 8.4 percent in FY 2010-11	$28.8 million
=	FY 2010-11 eligibility costs	$173.4 million
+	FY 2010-11 common intake costs	$ 73.8 million
=	Total PA to NA Fund Shift	$247.2 million

TANF and NAFS Programs – PA to NA Fund Shift

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in funds shifting from CalWORKs administration to FS administration is associated with the FY 2008-09 ongoing activity costs lower than projected.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
ITEM 101 – TANF	County Admin.	County Admin.
Total	-$247,560	-$247,196
Federal	-247,560	-247,196
State	0	0
County	0	0
Reimbursements	0	0

ITEM 141 – Food Stamps	2009-10	2010-11
	County Admin.	County Admin.
Total	$247,560	$247,196
Federal	123,780	123,598
State	86,646	86,519
County	37,134	37,079
Reimbursements	0	0

Medi-Cal Services Eligibility / Common Costs

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- The amount for Fiscal Year (FY) 2009-10 was held to the Appropriation.
- Due to a lower than projected increase in caseload the Medi-Cal common costs is estimated to be $68.1 million in FY 2009-10.
- In FY 2010-11, CalWORKs caseload is expected to increase 8.4 percent from FY 2009-10 levels.

METHODOLOGY:

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

- The common costs for Medi-Cal is increased by the anticipated CalWORKs caseload growth for FY 2010-11 ($68.1 million x 1.084 = $73.8 million).

FUNDING:

The funds are 100 percent TANF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in funds shifting from CalWORKs Administration to Medi-Cal is due to an increase in the CalWORKs caseload in FY 2010-11.

Medi-Cal Services Eligibility / Common Costs

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	-$72,250	-$73,837
Federal	-72,250	-73,837
State	0	0
County	0	0
Reimbursements	0	0

CalWORKs Administrative Cap Adjustment

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented October 1, 1999.

KEY DATA/ASSUMPTIONS:

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

METHODOLOGY:

- Actual State and federal administrative expenditures from the first three quarters of Federal Fiscal Year (FFY) 2008 were added to a projected final quarter and then compared to the net annual TANF grant and the required state MOE for FFY 2008.
- Administrative expenditures were adjusted between federal TANF (9.02 percent) and state MOE (9.02 percent) until the administrative cost percentages were at the lowest common rate.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

CalWORKs Administrative Cap Adjustment

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$0	$0
Federal	-139,000	-139,000
State	139,000	139,000
County	0	0
Reimbursements	0	0

Court Cases

DESCRIPTION:

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

KEY DATA/ASSUMPTIONS:

Item 101 – TANF Administration

- A total of $500,000 is budgeted in Fiscal Year (FY) 2009-10 for attorney fees and settlement costs associated with small court cases expected to be resolved in the Current Year (CY).
- A total of $500,000 is budgeted in FY 2010-11 for attorney fees and settlement costs associated with small court cases expected to be resolved in the Budget Year (BY).

Item 141 – FC, AAP, and Food Stamp Administration

- A total of $4,902,000 is budgeted in FY 2009-10 for attorney fees and settlement costs associated with small court cases expected to be resolved in the CY.
- A total of $4,550,000 is budgeted in FY 2010-11 for attorney fees and settlement costs associated with small court cases expected to be resolved in the BY.

METHODOLOGY:

Item 101 – TANF Administration

The estimate is based on actual and projected attorney fees, settlement costs, and miscellaneous writs to be paid in FY 2009-10 and FY 2010-11.

Item 141 – FC, AAP, and Food Stamp Administration

The estimate is based on actual and projected attorney fees, settlement costs, and miscellaneous writs to be paid in FY 2009-10 and FY 2010-11.

FUNDING:

Item 101 –TANF Administration

The funding is 100 percent TANF.

Item 141 – FC, AAP, and Food Stamp Administration

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

Court Cases

CHANGE FROM THE APPROPRIATION :

The decrease in the CY TANF administration court case costs is due to a result of cases which were expected to settle in the CY being pushed into the BY and cases that closed with no additional costs.

The increase in the CY FC, AAP, and Food Stamp court costs is due to a combination of new FC cases and cases projected to settle in the CY.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change for TANF.

The decrease in the BY FC, AAP, and Food Stamp court costs is due to cases expected to settle in the CY.

EXPENDITURES:

(in 000's)

ITEM 101 –	2009-10	2010-11
TANF Administration	County Admin.	County Admin.
Total	$500	$500
Federal	500	500
State	0	0
County	0	0
Reimbursements	0	0

ITEM 141 –	2009-10	2010-11
FC, AAP, and Food Stamp Administration	County Admin.	County Admin.
Total	$4,902	$4,550
Federal	2,451	2,275
State	2,451	2,275
County	0	0
Reimbursements	0	0

State/County Peer Reviews

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10533.
- In the Fiscal Year (FY) 2009-10, 3 peer reviews are funded in the amount of $36,652. In the FY 2010-11, funding for this premise will be eliminated.
- Each peer review will take approximately five days (eight hours per day) to complete. One additional eight hour day is required for preparation and training in the host county for staff from the visiting counties.
- Two staff persons from each of the two visiting counties will travel to the host county for the Peer Review. One manager and 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 $1,336 per visit.
- This estimate includes the costs to backfill for 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.
- The hourly salary and benefits for a worker is $35.80.

METHODOLOGY:

- The cost for travel and per diem for one manager and one staff person from each visiting county for two peer reviews is $16,032 in the FY 2009-10.
- The average backfill cost for each county staff for 48 hours is $1,718.
- The total backfill cost for four county staff for 3 peer reviews is $20,620 in the FY 2009-10.

State/County Peer Reviews

METHODOLOGY (CONTINUED):

- The total cost for travel, per diem, and county staff backfill is $36,652 in the FY 2009-10. Funding for the state/county peer reviews will be eliminated in the FY 2010-11.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

The change in the FY 2009-10 from the Appropriation is associated with the number of peer reviews reducing from 18 to three.

REASON FOR YEAR-TO-YEAR CHANGE:

Funding for this premise will be eliminated in the FY 2010-11.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$37	$0
Federal	$37	0
State	0	0
County	0	0
Reimbursements	0	0

Research and Evaluation

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

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

METHODOLOGY:

The funding in Fiscal Year (FY) 2009-10 and FY 2010-11 has been held at the Budget Act of 2007 Appropriation level.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Research and Evaluation

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$4,000	$4,000
Federal	4,000	4,000
State	0	0
County	0	0
Reimbursements	0	0

County Maintenance of Effort Adjustment

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 15204.4.
- The individual county requirement for spending is equal to that amount which was expended by the county for comparative activities during Fiscal Year (FY) 1996-97. Failure to meet this required level will result in a proportionate reduction in funds provided as part of the California Work Opportunity and Responsibility to Kids (CalWORKs) program single allocation.
- Actual county expenditures in FY 1996-97 were $140,540,757. This amount represents the ongoing county MOE requirement. In FY 1996-97, county expenditures were made in the following programs: Temporary Assistance for Needy Families; Non-Assistance Food Stamps; Greater Avenues for Independence (GAIN); Cal Learn, Health & Safety (for child care); Transitional Child Care Administration; and Non-GAIN Education & Training program.
- The estimated county expenditures for the administration of the Food Stamp program (FSP) for FY 2009-10 is $132,173,000.
- The estimated county expenditures for the administration of the FSP for FY 2010-11 is $147,790,000. Therefore, the counties will not be required to spend any funds in the CalWORKs program.

METHODOLOGY:

The funds reflected in this premise are the total statewide expenditures for FY 1996-97 minus the estimated county expenditures for the administration of the FSP.

FY 2009-10:

$140,540,757 - $132,173,000 = $8,367,757

FY 2010-11:

County food stamp costs ($147,790,000) exceed the total MOE requirement in FY 2010-11.

FUNDING:

This is a shift from federal to county funds.

County Maintenance of Effort Adjustment

CHANGE FROM THE APPROPRIATION:

The increase in the amount shifted in the Current Year is due to a decrease in the county share of cost in the FSP due to the FSP ARRA funds.

REASON FOR YEAR-TO-YEAR CHANGE:

County share of food stamp administration costs are projected to exceed the total MOE requirement in FY 2010-11.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$0	$0
Federal	-8,368	0
State	0	0
County	8,368	0
Reimbursements	0	0

CalWORKs Reform Efforts Notification

DESCRIPTION:

Chapter 4 and Chapter 8, Statutes of 2009 Fourth Extraordinary Session, Assembly Bill (AB) X4 4 and ABX4 8 include short-term and long-term reforms to the California Work Opportunity and Responsibility to Kids (CalWORKs) program. The short-term reforms allow the county to provide time limit exemptions for individuals who have been granted good cause due to lack of supportive services and to provide time limit exemptions and welfare-to-work (WTW) participation exemptions for families with young children. The long-term reforms include changes to Self-Sufficiency Reviews, CalWORKs Time-Limits, Graduated Sanctions, and Safety Net and Child-Only cases.

In Fiscal Year (FY) 2009-10, the California Department of Social Services will distribute a general mailer to notify all CalWORKs recipients of the upcoming short-term and long-term reforms. In FY 2010-11, a second general mailer will be distributed to all recipients reminding them of the upcoming reforms. In addition, notification will be provided to selected recipients affected by the reforms.

IMPLEMENTATION DATE:

Enactment date is July 28, 2009 and the implementation date is July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Chapter 4, Statutes of the Fourth Extraordinary Session of 2009.
- Two general notifications will be provided to all CalWORKs recipients. One in FY 2009-10 and another in FY 2010-11. In addition, notification will be required in FY 2010-11 specific to selected reform efforts.

METHODOLOGY:

Mailing costs are included to cover one notification in FY 2009-10 and two notifications in FY 2010-11.

FUNDING:

The funding is 94.47 percent Temporary Assistance for Needy Families (TANF) and 5.53 General Fund.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year requires two notifications as opposed to only one in the Current Year.

CalWORKs Reform Efforts Notification

EXPENDITURES:

(in 000's)

101 – CalWORKs Administration	2009-10 Grants	2010-11 Grants
Total	$239	$518
Federal	226	489
State	13	29
County	0	0
Reimbursement	0	0

CalWORKs Long-Term Reform Efforts
48-Month Time Limit Reviews

DESCRIPTION:

Chapter 8, Statutes of 2009 Fourth Extraordinary Session, Assembly Bill (AB) X4 8 includes long-term reforms to the California Work Opportunity and Responsibility to Kids (CalWORKs) program. The long-term reforms include changes to Self-Sufficiency Reviews, CalWORKs Time-Limits, Graduated Sanctions, and Safety Net and Child-Only cases. The long-term reforms will be implemented in Fiscal Year (FY) 2011-12. However, preliminary review of cases that will reach their 48-month time limit is required in FY 2010-11. The new 48-month time limit requirement will apply to parent(s) or adult caretaker relative(s) who have reached 48 months or more of aid. Once the individual reaches the 48-month time limit, the adult portion of the grant is eliminated, and the child moves into the safety net. After the 48-month "sit out" period, aid will be restored to the adult(s) for the remaining months of assistance, if eligible. With the exception of the child only cases (undocumented and drug/fleeing felon), the present automated system is able to capture cases subject to the 48-month time limit. However, the county worker will have to perform a manual calculation to determine months on aid for the child only cases.

IMPLEMENTATION DATE:

Enactment date was July 28, 2009 and the implementation date is July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Chapter 4, Statutes of the Fourth Extraordinary Session of 2009.
- With the exception of the child only cases (undocumented and drug/fleeing felon), the present automated system is able to track cases subject to the 48-month time limit.
- The child only cases (undocumented and drug/fleeing felon) will require a manual calculation to determine the number of months on aid. It is assumed that this manual calculation will require approximately ten minutes of county worker time to complete.

METHODOLOGY:

Approximately 117,786 child only cases will require a manual calculation to determine months on aid resulting in administrative costs of approximately $1.1 million for FY 2010-11 (117,786 x $9.59).

FUNDING:

The funding is 94.47 percent Temporary Assistance for Needy Families (TANF) and 5.53 General Fund.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The manual review of cases will be completed in the Budget Year.

CalWORKs Long-Term Reform Efforts
48-Month Time Limit Reviews

EXPENDITURES:

(in 000's)

101 – CalWORKs Administration	2009-10 Grants	2010-11 Grants
Total	$0	$1,129
Federal	0	1,067
State	0	62
County	0	0
Reimbursement	0	0

Payable from Proposition 10

DESCRIPTION:

Proposition 10 was enacted by the voters of California in the November 1998 election. The initiative created the California Children and Families Commissions, now commonly known as the state and local First 5 Commissions. The state commission (which receives 20 percent of revenues) and county commissions (which receive the remaining 80 percent) operate the Five programs.

The Budget includes a $350 million reduction to funding for the Children and Families Commission, established by Proposition 10, and redirection of funds to support state-level children's programs. This reduction would target resources to high-priority state programs that would otherwise require General Fund (GF) support, while also allowing funding to be retained by counties for local priorities. This funding shift requires voter approval.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS/METHODOLOGY:

- Estimates are determined by the percentage of children five years of age or under for the following programs: California Work Opportunity and Responsibility to Kids (CalWORKs) Child Care, Kinship Guardianship Assistance Payment Program (Kin-GAP), Foster Care (FC), Adoption Assistance Payments (AAP), Supplemental Security Income/State Supplementary Payment (SSI/SSP), FC Administration, Child Welfare Services (CWS), and Adoptions.

- All estimates are based on 58 counties with the exception of FC and CWS which has savings for the Waiver counties in Item 153 and savings for the Non-waiver counties in Item 101 and Item 151.

- The estimated impact of the "Redirecting County Savings' premise has been taken into account for this estimates – see "Redirecting County Savings" premise description for additional information.

FUNDING:

Funding from the Children and Families Commission special fund will be used to offset GF costs associated with various children's social service programs.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

Payable from Proposition 10

EXPENDITURES:

Total Payable from Proposition 10:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$0	-$350,000
Federal	0	0
State	0	-350,000
County	0	0
Reimbursements	0	0

CalWORKs Child Care – Item 101:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$0	-$73,000
Federal	0	0
State	0	-73,000
County	0	0
Reimbursements	0	0

Kin-GAP – Item 101:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$0	-$29,000
Federal	0	0
State	0	-29,000
County	0	0
Reimbursements	0	0

Payable from Proposition 10

EXPENDITURES (CONTINUED):

FC and AAP – Item 101:
(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$0	-$60,000
Federal	0	0
State	0	-60,000
County	0	0
Reimbursements	0	0

SSI/SSP – Item 111:
(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$0	-$65,000
Federal	0	0
State	0	-65,000
County	0	0
Reimbursements	0	0

FC Administration – Item 141:
(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$0	-$7,000
Federal	0	0
State	0	-7,000
County	0	0
Reimbursements	0	0

Payable from Proposition 10

EXPENDITURES (CONTINUED):

CWS – Item 151:
(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$0	-$39,000
Federal	0	0
State	0	-39,000
County	0	0
Reimbursements	0	0

Adoptions – Item 151:
(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$0	-$35,000
Federal	0	0
State	0	-35,000
County	0	0
Reimbursements	0	0

FC and CWS – Item 153:
(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$0	-$42,000
Federal	0	0
State	0	-42,000
County	0	0
Reimbursements	0	0

CalWORKs Child Care - Stage One Services and Administration

DESCRIPTION:

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

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

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

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

Total Stage One costs are reduced by five percent and are reflected in the Stage One Holdback premise.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8350, 8351, 8352 and Welfare and Institutions Code section 11331.7.
- The cost of providing CalWORKs child care is held to the Appropriation based on the following assumptions:
  - The projected monthly caseload (children) for the Current Year (CY) and the Budget Year (BY) is 66,848 based on a regression analysis projection using actual caseload from Fiscal Year (FY) 2007-08 as reported on the Child Care Monthly Report - CalWORKs Families (CW 115) and Child Care Monthly Report - Two-Parent Families (CW 115A).

CalWORKs Child Care - Stage One Services and Administration

KEY DATA/ASSUMPTIONS (CONTINUED):

- ♦ The monthly cost of CalWORKs child care for FY 2009-10 and FY 2010-11 is $738.00 per child. This is based on child care expenditures and caseload as reported on the County Expense Claims and the CW 115 and CW 115A reports from January 2008 – December 2008. The cost per child is increased by an additional 1.53 percent cost of doing business added to the July 2008 Consumer Necessities Index of 5.26 percent.
- ♦ The CalWORKs child care administrative ratio is 10.88 percent and is based on the actual administrative expenditures compared to services expenditures for Calendar Year 2008.
- ♦ The child care cost for two-parent families is 3.22 percent based on Stage One expenditures from Calendar Year 2008.
- ♦ The child care costs for the Recent Noncitizen Entrants (RNEs) is 0.48 percent based on Stage One expenditures from Calendar Year 2008.
- ♦ The child care cost for sanctioned teens for State-Only Cal Learn Child Care is 0.023 percent based on Stage One expenditures from Calendar Year 2008.
- Based on historical percentages of the employment services and child care caseloads to the total CalWORKs caseload a $94 million caseload supplement equivalent to an additional 9,575 cases has been provided for FY 2009-10 and FY 2010-11 to account for the overall expected growth in the CalWORKs caseload.
- In the CY and the BY, the net need after adjustments for RNE and State-Only Cal Learn is approximately $654.7 million.

- It is assumed $188.5 million in the CY and $146.2 million in the BY in TANF funds are transferred to Title XX and used to fund Stage One.
- Child Care Services for the BY reflect a $73 million reduction in federal funds and a $73 million increase in state funds to allow for sufficient GF costs to be backfilled with the $73 million Proposition 10 funds.
- The CY and the BY amounts reflect an increase of $32.7 million which represents a shifting of funds from the Stage One Child Care Holdback.

METHODOLOGY:

- The Stage One child care services costs are calculated by multiplying the caseload by the cost per child multiplied by 12 months.
- The Stage One child care administrative costs are calculated by multiplying the services costs by the administrative ratio.
- The caseload supplement is then added to the Stage One Child Care basic costs.

CalWORKs Child Care - Stage One Services and Administration

METHODOLOGY (CONTINUED):

- The Stage One two-parent child care costs are calculated by multiplying the total Stage One child care costs by 3.22 percent.
- The RNE caseload represents 0.48 percent of Stage One Child Care costs.
- Federally eligible members of mixed RNE households represent 50.12 percent and remain in the Stage One Basic Program, funded with GF. The remaining portion of the RNE child care cost is reflected on the RNE premise line. Refer to the "Recent Noncitizen Entrants Services/Administration" premise description for more information.
- Sanctioned teens for State-Only Cal Learn Child Care represent 0.023 percent of Stage One Child Care Costs. These funds are reflected in the "State-Only Cal Learn Child Care" premise, funded with GF.
- Child Care Services for the BY reflect a $73 million reduction in federal funds and a $73 million increase in state funds to allow for sufficient GF costs to be backfilled with the $73 million Proposition 10 funds.
- The CY and the BY amounts reflect an increase of $32.7 million which represents a shifting of funds from the Stage One Child Care Holdback.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

The increase reflects the shift of $32.7 million from the Stage One Child Care Holdback.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change in total Child Care expenditures. However, Child Care Services for the BY reflects a $73 million reduction in federal funds and a $73 million increase in state funds to allow for sufficient GF costs to be backfilled with the $73 million Proposition 10 funds.

CASELOAD:

	2009-10	2010-11
Average Monthly Children	76,423	76,423

CalWORKs Child Care - Stage One Services and Administration

EXPENDITURES:

101 – CalWORKs Child Care

(in 000's)	2009-10 Services	2010-11 Services
Total	$674,245	$674,245
Federal	653,555	580,555
State	20,690	93,690
County	0	0
Reimbursements	0	0

	2009-10 Administration	2010-11 Administration
Total	$74,523	$74,523
Federal	72,272	72,272
State	2,251	2,251
County	0	0
Reimbursements	0	0

Child Care Rate Reduction

DESCRIPTION:

This premise reflects the cost impact to California's subsidized child care system from the updated Regional Market Rate (RMR) ceilings. RMR ceilings are the maximum amount child care providers can be reimbursed from the state for subsidized child care. Current RMR ceilings reimburse licensed providers at no higher than the 85th percentile of the RMR established by the 2005 regional market rate survey (Education Code section 8357), and license exempt providers are reimbursed at no higher than 90 percent of the 85th percentile. California Work Opportunity and Responsibility to Kids (CalWORKs) participants that are receiving CalWORKs Stage One, Stage Two, and Stage Three child care, and Alternative Payment Programs (AAP) will be affected by these RMR updates.

IMPLEMENTATION DATE:

This premise assumes March 1, 2010 enactment of legislation with a July 1, 2010 implementation.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8357 and 8447.
- New RMR policies will be implemented that lower the ceilings at which providers that serve subsidized and unsubsidized families can be reimbursed. Licensed providers ceilings will be at the 75th percentile of the current RMR instead of the 85th percentile.
- The Licensed-Exempt Providers reimbursement rate ceilings will be 70 percent of the newly established RMR ceiling for Family Child Care Home (FCCH).
- The impact of the newly established RMR's will impact Stage 1, Stage 2, Stage 3, and AAP.
- Estimates are based on a 1999 Child Care Survey updated to Fiscal Year (FY) 2009-10 appropriated program expenditures.

METHODOLOGY:

For Stage 1 Child Care it is estimated that 45 percent of the FY 2010-11 budgeted funding is dedicated to licensed providers and the impact of this premise will result in a savings of 1.2 percent or $3 million in the BY. It is estimated that 55 percent of the FY 2010-11 budgeted funding is dedicated to license exempt providers, and the impact of this premise will result in a savings of 17.5 percent or $52 million.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

This is a new premise.

Child Care Rate Reduction

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Budget Year premise only.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	0	-$54,813
Federal	0	-54,813
State	0	0
County	0	0
Reimbursements	0	0

State-Only Cal Learn Child Care

DESCRIPTION:

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

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

IMPLEMENTATION DATE:

This premise implemented on April 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11331.7.
- For Fiscal Year (FY) 2009-10, 0.023 percent of the California Work Opportunity and Responsibility to Kids (CalWORKs) Stage One Child Care caseload represent sanctioned teens receiving services under the State-Only Cal Learn Child Care.
- Refer to the “Stage One Services and Administration” premise for more information regarding the Cal Learn Child Care estimate.

METHODOLOGY:

The sanction rate for the Current Year (CY) was applied to the total Stage One Child Care cost to determine the State-Only Cal Learn Child Care need.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

The CY and Budget Year were held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

State-Only Cal Learn Child Care

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$149	$149
Federal	0	0
State	149	149
County	0	0
Reimbursements	0	0

Child Care – Trustline

DESCRIPTION:

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

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

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

IMPLEMENTATION DATE:

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1596.60 through 1596.68, Health and Safety Code section 1596.67, and Welfare and Institutions Code section 11324.
- Providers for CalWORKs participants who are currently licensed, or who are an aunt, uncle or grandparent of the child, are exempt from Trustline requirements.
- Voluntary applicants pay fees to cover all costs associated with their Trustline registration.
- For voluntary applicants using Live Scan, this premise includes only the R&R Network costs. These applicants pay a fee directly to Identix to cover Live Scan and DOJ charges.

Child Care – Trustline

KEY DATA ASSUMPTIONS (CONTINUED):

- For Fiscal Year (FY) 2009-10 and FY 2010-11, the cost of providing Trustline for CDSS, CDE, and voluntary applicants was held to the Appropriation based on the following key data and assumptions:
  - The projected number of Trustline applications for CDSS, CDE, and voluntary is 32,364. This is based on a regression analysis projection using the number of actual applications for Trustline fingerprinting from Calendar Year 2008. The estimate assumes the effects of the Previous CalWORKs Reform Efforts and Undocumented Citizens (SB 1569), premises. As more adults begin to work or participate in work activities, there would be a greater need for child care; therefore, the number of Trustline applications would increase.
  - This estimate assumes that 0.50 percent of CDSS and CDE caseloads use Cardscan and 99.50 percent use Live Scan.
  - This estimate assumes that 100 percent of voluntary cases use Live Scan.
  - The county administration cost per case is $91 based on actual county expenditures divided by the number of DOJ applications for Calendar Year 2008.
  - The Trustline Automated Registration Process (TARP) pilot implemented in October 2006, with statewide implementation completed in twenty counties as of July 1, 2008 (Alameda, Butte, Contra Costa, Fresno, Kern, Orange, Placer, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Shasta, Siskiyou, Solano, Tehama, and Ventura). Riverside County implemented in April 2008 while Los Angeles County implemented on August 1, 2008. Santa Clara County implemented on January 1, 2009. While Sonoma County implemented on April 1, 2009. Implementation plans for Kings County have yet to be determined. The projected caseload in both the Current Year (CY) and the Budget Year (BY) is 28,357. TARP costs are reflected in the Identix contract.
  - The Trustline Web-based Application (TWA) pilot implemented on December 1, 2008 in Riverside County. As of December 17, 2009 twenty-two counties have implemented TWA (Madera, Lassen, Alpine, El Dorado, Del Norte, Mariposa, Tuolumne, Glenn, Merced, Colusa, Santa Cruz, Kings, Yolo, Modoc, Imperial, Butte, Marin Plumas, Placer, Inyo, Stanislaus).
  - Included in the Identix contract is a $35,000 maintenance fee for the Live Scan machines.
  - The R&R Network increased its application fee from $25 to $35 in July 2008.
  - Reflected in the CY and the BY amount is a $1.6 million Trustline reduction commensurate with the overall Child Care reduction.

Child Care – Trustline

KEY DATA ASSUMPTIONS (CONTINUED):

- The fees for the contracted services are as follows:

	FY 2009-10	FY 2010-11
DOJ Fingerprinting/Criminal History File	$32	$32
DOJ California Child Abuse Central Index	$15	$15
DOJ FBI Fingerprints	$19	$19
R&R Network Application Fee	$35	$35
R&R Network Incomplete Application Fee	$15	$15
Identix Cardscan Fee[1]	$10	$10
Identix Live Scan[1]	$16	$16
TARP	$5	$5

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

METHODOLOGY:

- The cost of each contract was calculated by multiplying the projected number of Trustline applications by the cost per activity.
- The county administration cost was calculated by multiplying the projected number of CDSS Trustline applications by the county administration cost per case.
- The breakout of funding is as follows:

	FY 2009-10	FY 2010-11
DOJ	$1,969,638	$1,969,638
R&R Network	$1,182,545	$1,182,545
Identix [2]	$653,373	$653,373
County Administrative Costs	$1,696,676	$1,696,676

[2] TARP costs are included in the Identix contract.

- The total funding for Trustline was reduced by $1.6 million.

FUNDING:

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

Child Care – Trustline

CHANGE FROM THE APPROPRIATION:

The CY and the BY were held to the Appropriation, with an exception for a $1.6 million Trustline reduction commensurate with the overall Child Care reduction.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

CASELOAD:

	2009-10	2010-11
Average Monthly CDSS Trustline Caseload	1,793	1,793
Average Monthly CDE Trustline Caseload	693	693
Average Monthly Voluntary Trustline Caseload	210	210

Expenditures:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$3,902	$3,902
Federal	2,668	2,668
State	261	261
County	0	0
Reimbursements	973	973

Self-Certification

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on October 1, 1996.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1596.60 through 1596.68, Health and Safety Code section 1596.67, and Welfare and Institutions Code section 11324.
- The projected cost of self-certification is held to the Appropriation based on the following key data and assumptions:
  - The projected number of Trustline applications for the California Department of Social Services is 21,522 in the Current Year (CY) and Budget Year (BY), based on a regression analysis projection using the number of applications for Trustline fingerprinting from Calendar Year 2008. The statewide cost of self-certification ($190) is based on actual county expenditures divided by total Trustline applications processed in Calendar Year 2008.

METHODOLOGY:

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

For the CY and the BY: $190 x 21,522 = $4.1 million

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

There is no change.

Self-Certification

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

CASELOAD:

	2009-10	2010-11
Average Annual Caseload	21,522	21,522

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$4,088	$4,088
Federal	3,903	3,903
State	185	185
County	0	0
Reimbursements	0	0

Child Care
Stage One Holdback

DESCRIPTION:

This premise reflects the amount of Temporary Assistance for Needy Families (TANF) program funds established in reserve to be used for Stage One California Work Opportunity and Responsibility to Kids (CalWORKs) program child care. The reserve of TANF funds is authorized by the annual Budget Act. The CalWORKs Child Care program was authorized by Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997).

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8350, 8351, 8352, and 8353.
- In Fiscal Year (FY) 2009-10, a total of five percent from Stage One was held in the reserve.
- There is no Stage One holdback in FY 2010-11.

METHODOLOGY:

- In FY 2009-10, the Stage One holdback is $0 as the $32.7 million Child Care Stage One Holdback Appropriation amount is shifted to Child Care Services and Administration.
- There is no Stage One holdback in FY 2010-11.

FUNDING:

Not applicable.

CHANGE FROM THE APPROPRIATION:

The $32.7 million Child Care Stage One Holdback Appropriation amount is shifted to Child Care Services and Administration for both the Current Year and the Budget Year.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Child Care
Stage One Holdback

EXPENDITURES:

(in 000's)	2009-10	2010-11
	Grant	Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Tribal TANF

DESCRIPTION:

This premise reflects the General Fund (GF) cost to operate Tribal Temporary Assistance for Needy Families (TANF) programs in California. Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997) allowed GF to be provided for tribes to administer a Tribal TANF program. The California Department of Social Services has established a memorandum of understanding (MOU) with the following: 1) California Tribal TANF Partnership (CTTP), representing the tribal members in Amador, Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Modoc, Napa, Plumas, Solano, San Joaquin, Sutter, Trinity, and Yuba counties; 2) Hoopa, representing tribal members in Humboldt County; 3) Morongo, representing tribal members in Riverside County; 4)North Fork Rancheria (NFR), representing the tribal members in Fresno, Madera, Mariposa, and Merced counties; 5) Owens Valley Career Development Center (OVCDC), representing the tribal members in Fresno, Inyo, Kern, Kings, and Tulare counties; 6) Tule Reservation Scott's Valley, representing the tribal members in Contra Costa County; 7) Southern California Tribal Chairman Association (SCTCA), representing tribal members in Santa Barbara and San Diego counties; 8) Soboba, representing tribal members in Riverside County; 9) Torres-Martinez Tribal TANF (TMTT), representing tribal members in Los Angeles and Riverside counties; 10) Washoe Tribe of Nevada and California (WTNC), representing tribal members in Alpine, Alameda, El Dorado, Nevada, Placer, Sacramento, San Francisco, San Joaquin, San Mateo, Santa Clara, and Santa Cruz counties; and 11) Yurok, representing tribal members in Del Norte and Humboldt counties. Federal welfare reform legislation allows for each Indian tribe that has an approved Tribal Family Assistance Plan to receive a Tribal Family Assistance Grant (TFAG) based on Federal Fiscal Year (FFY) 1994 actual expenditures. The administrative authority to operate a TANF program is transferred to the tribes, together with federal and state funding based on FFY 1994 levels. Transferred funds include monies to meet grant costs and administrative costs related to cash aid and Welfare to Work (WTW) services. The GF costs are based on the estimated participation rates of reimbursement for the counties during FFY 1994, in which the tribal organizations are located.

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

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

Tribal TANF

IMPLEMENTATION DATE:

- The original CTTP tribes implemented in July 2003. CTTP Phase II consisting of tribes in Amador, Butte, Colusa, Del Norte, Humboldt, Lake, Modoc, and Trinity counties implemented in July 2004. One Tribe in Butte County withdrew in August 2006 and another withdrew in October 2006. One Tribe in Humboldt County and another in Lake County withdrew in May 2007. In July 2008, CTTP closed their program in Napa County and no longer serves Tribes. One Tribe in Amador County withdrew and transferred to another program in October 2008. CTTP Phase III-A in San Joaquin County implemented in June 2006. CTTP Phase III-B in Calaveras, Tehama, and Yolo counties are pending approval of a MOU for their March 2010 implementation date.
- The Graton tribe that represents tribal members from Marin and Sonoma counties implemented in May 2008.
- The original Hoopa tribe in Humboldt implemented in October 2004.
- The Karuk tribe that represents tribal members from Siskiyou and Humboldt implemented in December 2008.
- The Morongo Band of Mission Indians in Riverside County implemented in March 2006.
- The original tribes in NFR implemented in August 2003. NFR-Phase II in Fresno County implemented in July 2007.
- The original OVCDC tribes in Inyo and Kern implemented in May 2001 and October 2001, respectively. The OVCDC tribe expansion in Tule River Reservation and Tulare County implemented in July 2002. Additional OVCDC tribes in Fresno and Kings counties implemented in January 2004 with a portion of Fresno Cases withdrawing in July 2007. The Tule Reservation Scott's Valley Band of Pomo Indians that represents tribal members from Contra Costa County implemented in January 2008. Mono and Ventura counties are seeking approval of an MOU for their March 2010 implementation.
- The Pinoleville Band of Indians that represents tribal members from Sonoma, Lake, Mendocino and Napa counties is seeking approval of an MOU for their January 2010 implementation.
- The Redding Rancheria Band of Indians that represents tribal members from Shasta and Trinity counties is seeking approval of an MOU for their March 2010 implementation.
- The Round Valley Band of Indians that represents tribal members from Mendocino County implemented in January 2009.
- The original SCTCA tribes implemented in March 1998. Seventeen additional tribes in San Diego County implemented in May 1999. Another tribal expansion in San Diego County implemented in June 2006.
- The Soboba Band of Luiseno Indians in Riverside County implemented in October 2005.
- The original TMTT tribes in Los Angeles and Riverside counties implemented in May 2001. The TMTT tribal service area expansion in nine additional cities in Riverside implemented in April 2002. One Tribe in Riverside County withdrew in April 2002 and implemented their own program in October 2005. Two additional Riverside County Tribes withdrew in May 2004 and one began their own program in March 2006. Additional TMTT tribes in Imperial, Orange, and San Bernardino counties are seeking approval of an MOU for their March 2010 implementation.

Tribal TANF

IMPLEMENTATION DATE (CONTINUED):

- The Manchester Point Arena Reservation Tribe is seeking approval of an MOU for a March 2010 implementation in Mendocino County.
- The original Washoe tribe implemented in January 2003. Washoe Phase II implemented in July 2005. Washoe Phase III was not implemented in California because it included two counties in the State of Nevada and was therefore negotiated with Nevada. Phase IV was not implemented because it included counties that were already covered by other Tribes and were not available to Washoe. Washoe Phase V implemented Amador County in October 2008. Additionally, they are seeking approval of an MOU for their March 2010 implementation for Amador, Monterey, San Benito, San Luis Obispo, and Sierra counties.
- The Yurok tribe in Del Norte and Humboldt counties implemented on August 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10553.25.
- TANF transferred directly to the tribes and the state participation rates for FFY 1994 are estimated based on the following:
  - The average monthly cash aid cost of $211.34 per person is based on the average cash aid expenditure amount per person for FFY 1994.
  - The average monthly number of cash aid cases is 20,124 in the Current Year (CY) and 23,068 in the Budget Year (BY).
  - The average persons per case is 2.9.
  - The average monthly number of cases receiving Welfare-to-Work (WTW) services is 1,908 in the CY and 2,134 in the BY.
  - The average monthly WTW services cost per person is $206.36.
  - The average monthly administrative cost per case is $50.73.

METHODOLOGY:

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

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

Tribal TANF

METHODOLOGY (CONTINUED):

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

2009-10			2010-11		
Grants	WTW Services	County Admin.	Grants	WTW Services	County Admin.
$70,646	$1,816	$4,630	$81,031	$2,033	$5,320

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

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

REASON FOR YEAR-TO-YEAR CHANGE:

The BY costs reflect full-year costs for tribes that implemented in the CY.

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$77,092	$88,385
Federal[1]	0	0
State	77,092	88,385
County	0	0
Reimbursements	0	0

[1] The federal share of the above costs was deducted from the TANF block grant to show the transfer of funds to the tribal organizations, a total of $82.8 million in FY 2009-10 and $94.9 million in FY 2010-11.

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

DESCRIPTION:

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

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

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

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

KEY DATA/ASSUMPTIONS:

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

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

KEY DATA/ASSUMPTIONS (CONTINUED):

- The base quarterly expenditures will be compared to the projected quarterly expenditures for Fiscal Year (FY) 2009-10 and FY 2010-11.
- As authorized by the federal Office of Management and Budget (OMB), a portion of the funding received under ARRA will be used to provide support for the California Recovery Task Force (CRTF) and for the ARRA oversight and administrative activities of the various departments administering those funds. Pursuant to Executive Order S-02-09, CRTF is charged with tracking the ARRA funding coming into the state; helping cities, counties, non-profits, and others access the available funding; ensuring that the funding provided to the state is spent efficiently and effectively; and maintaining a web site that is frequently and thoroughly updated so Californians can track the stimulus dollars. The mechanism for accessing these federal funds and for allocating them to the CRTF and state entities administering ARRA funds is under development and is not available to include in this estimate. Consequently, a future Section 28.00 request may be submitted in the coming months to properly increase CDSS' federal funds reimbursement authority to fund the cost of accountability and related administrative and transparency activities.

METHODOLOGY:

The amount of ECF funds the state may be eligible to receive has not been determined. Therefore, no funding is included at this time.

(in 000's)

		July - Sept	Oct – Dec	Jan - Mar	Apr –June	Total ECF
Base Expenditures		$0	$0	$0	$0	
FY 2009-10 Projections		$0	$0	$0	$0	
Difference		$0	$0	$0	$0	
	80%	$0	$0	$0	$0	$0

		July - Sept	Oct – Dec	Jan - Mar	Apr –June	
Base Expenditures		$0	$0	$0	$0	
FY 2010-11 Projections		$0	$0	$0	$0	
Difference		$0	$0	$0	$0	
	80%	$0	$0	$0	$0	$0

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

FUNDING:
This premise is funded with 100 percent ECF funds.

CHANGE FROM THE APPROPRIATION:
There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:
There is no change.

EXPENDITURES:
(in 000's)

	2009-10	2010-11
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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TANF Transfer for Student Aid Commission

DESCRIPTION:

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

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

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

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

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

IMPLEMENTATION DATE:

This premise will implement on July 1, 2010.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.

METHODOLOGY:

For Fiscal Year 2010-11, the estimate reflects the TANF transferred to CSAC.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM THE APPROPORIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the Budget Year.

TANF Transfer for Student Aid Commission

EXPENDITURES:

(In 000's)

	2009-10 Grant	2010-11 Grant
Total	$0	$18,336
Federal	0	18,336
State	0	0
County	0	0
Reimbursements	0	0

Kinship Guardianship Assistance Payment Program

DESCRIPTION:

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

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

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

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

IMPLEMENTATION DATE:

The Kin-GAP program implemented on January 1, 2000. Kin-GAP enhancements implemented on October 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 11360 through 11380.
- The Kin-GAP rate equals 100 percent of the basic foster care rate for children placed in a licensed or approved foster family home, including all clothing allowances and SCIs received while in FC, as specified in statute.
- Federal and nonfederal caseloads are based on actual cases reported on the CA 800 KG, Summary Report of Expenditures for the Kin-GAP program, from July 2008 through June 2009. It is assumed that an average of 30 new cases per month will enter the Kin-GAP program.
- A State-only Kin-GAP program is available for those cases that are not eligible for the California Work Opportunity and Responsibility to Kids (CalWORKs) program but would be eligible for the Kin-GAP program. Based on the caseload reported on the CA 800 KG, nonfederal cases represent an insignificant percentage of the total caseload.
- The average Kin-GAP basic grant payments are based on the most recent actual expenditures and cases reported on the CA 800 KG from July 2008 through June 2009. The average federal Kin-GAP basic grant payment is $605.20 and the average nonfederal Kin-GAP basic grant payment is $675.20.

Kinship Guardianship Assistance Payment Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average Temporary Assistance for Needy Families (TANF) portion of the Kin-GAP rate is $347 but will no longer be federally funded and will be replaced with General Fund (GF).
- Based on actual expenditures through June 2009, the cost of ongoing county Kin-GAP administrative functions is $33.73 per case per month.
- State and county expenditures associated with all cases are considered to be eligible for the state's TANF maintenance of effort requirement.
- This estimate assumes no Title IV-E funding.
- Based on data from all counties, the average initial clothing allowance provided to new cases is $220, and $99 annually thereafter.
- All cases will also receive an annual supplemental clothing allowance of $100.
- Savings to FC grants and administration, CalWORKs grants and administration, and Child Welfare Services (CWS) administration based on new cases transferring from FC to Kin-GAP as a result of the enhanced benefits will no longer be displayed as separate premises titled "Enhanced Kin-GAP Savings" under the appropriate budget item, and are considered to be contained in their respective expenditure trends.

METHODOLOGY:

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

FUNDING:

The Kin-GAP basic rate was paid utilizing the applicable regional per-child CalWORKs grant from federal funds received as part of the TANF block grant. This portion will now be funded with GF. The balance of the Kin-GAP basic and SCI rate is paid with 50 percent GF and 50 percent county funds. For State-only Kin-GAP cases, grant and administrative costs are shared 50 percent GF and 50 percent county.

The annual clothing allowance costs are shared 50 percent GF and 50 percent county. The supplemental clothing allowance will be paid with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The Current Year (CY) decrease is based on fewer new cases entering the Kin-GAP program than were projected in the appropriation, in addition to a slight decrease to the average grant. There is no change to the administration grant.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year (BY) grant increase is based on a projected caseload growth of 2.5 percent. The administration grant decrease is due to the CY costs being held to the Appropriation.

Kinship Guardianship Assistance Payment Program

CASELOAD:

	2009-10	2010-11
Average Monthly Caseload	14,307	14,670

EXPENDITURES:

(in 000's)

Item 101 – Kin-GAP Basic Costs	2009-10 Grant	2010-11 Grant
Total	$103,939	$106,576
Federal	0	0
State	81,673	83,745
County	22,266	22,831
Reimbursements	0	0

(in 000's)

Item 101 – Kin-GAP Administration	2009-10 County Admin.	2010-11 County Admin.
Total	$7,228	$5,937
Federal	0	0
State	7,216	5,929
County	12	8
Reimbursements	0	0

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Kinship Guardianship Assistance Payment Program Dual Agency Rate

DESCRIPTION:

This premise reflects an amendment to the Kinship Guardianship Assistance Payment (Kin-GAP) program statute which allows children receiving the Aid to Families with Dependent Children-Foster Care (AFDC-FC) rate under Welfare and Institutions Code (W&IC) section 11464 while in foster care to be eligible for that rate when the children transition into the Kin-GAP program. The rate paid under Kin-GAP for children who are regional center clients would be paid by the state and counties in the same ratio as is currently paid under the Kin-GAP program. Under the proposed statute change, children currently in Kin-GAP who are regional center clients would be eligible for the dual agency rate retroactive to July 1, 2007.

Senate Bill (SB) 84 (Chapter 177, Statutes of 2007), created a new rate structure and rate setting process for children who are consumers of regional center services and recipients of either AFDC-FC or Adoption Assistance Program benefits. This legislation established a new rate of $2,006 for the care and supervision of dual agency children three years of age and older. The legislation also established a new supplement to the $2,006 rate not to exceed $1,000 for dual agency children three years of age and older with extraordinary care and supervision needs. Assembly Bill (AB) X4 4 allows for the dual agency rates established in foster care to be applied to children transferring to Kin-GAP.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11364 (ABX4 4 Chapter 4, Statutes of 2009).
- All estimates are based on children residing in a Foster Family Home or relative out-of-home placements.
- The estimate assumes that forty six percent of eligible Foster Care (FC) children living with a relative and receiving regional center services would transfer to Kin-GAP over a 24 month period.
- The estimate assumes that all FC children receiving regional center services transferring to Kin-GAP are currently receiving the dual agency grant of $898 for children under the age of three and $2,006 for children over the age of three.

<u>Caseloads and Grants</u>

- It is estimated that 107 FC children under the age of three receive regional center services and have been living in a stable placement with a relative for more than one year. Of these, 46 percent or 49 cases would be eligible for Kin-GAP and would phase in over a 24 month period starting July 1, 2009.
- It is estimated that 196 FC children over the age of three receive regional center services and have been living in a stable placement with a relative for more than one year. Of these, it is estimated that 46 percent or 90 cases would be eligible for Kin-GAP and would phase in over a 24 month period starting July 1, 2009.

Kinship Guardianship Assistance Payment Program Dual Agency Rate

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is estimated that a total of 266 casemonths in Fiscal Year (FY) 2009-10, and 757 casemonths in FY 2010-11, will be applied to FC and Child Welfare Services (CWS) savings.
- Under the proposal, children under three years of age will receive the same grant of $898, but instead of the FC sharing ratios of 50 percent federal, 20 percent General Fund (GF), and 30 percent county, the costs are divided based on current sharing ratio law for Kin-GAP.
- Under the proposal, children over three years of age will receive the same grant of $2,006, but instead of the FC sharing ratios of 50 percent federal, 20 percent GF, and 30 percent county, the costs are divided based on current sharing ratio law for Kin-GAP.
- KinGAP costs are for all 58 counties, but savings in Foster Care Item 101, Foster Care Item 141, and CWS Item 151 will impact Non-Title IV-E waiver Counties only.

METHODOLOGY:

Item 101

- Kin-GAP grant costs for children under the age of three are calculated by multiplying the number of casemonths (160 in FY 2009-10, 455 in FY 2010-11) for FC children transferring to Kin-GAP by $898.
- There is no federal participation for costs in Kin-GAP, so the state assumes 100 percent of the initial $347 of the $898 payment and the remaining $551 is split 50 percent GF and 50 percent county fund.
- Kin-GAP grant costs for children over the age of three are calculated by multiplying the number of casemonths (293 in FY 2009-10, 834 in FY 2010-11) for FC children transferring to Kin-GAP by $2,006. There is no federal participation for costs in Kin-GAP, so the state assumes 100 percent of the initial $347 of the $2,006 payment and the remaining $1,659 is split 50 percent GF and 50 percent county fund.
- Kin-GAP administrative costs are based on 453 casemonths in FY 2009-10, and 1,289 casemonths in FY 2010-11, of cases entering Kin-GAP, multiplied by the average Kin-GAP administrative cost per month of $33.73. The cost is 100 percent GF.
- FC Non-Title IV-E Waiver Counties grant savings for children under the age of three are calculated by multiplying the number of casemonths (108 in FY 2009-10, 306 in FY 2010-11) leaving FC and entering Kin-GAP by $898. The normal FC sharing ratios were applied of 50 percent federal, 20 percent GF and 30 percent county fund.
- FC Non-Title IV-E Counties grant savings for children over the age of three are calculated by multiplying the number of casemonths (158 in FY 2009-10, 451 in FY 2010-11) leaving FC and entering Kin-GAP by $2,006. The normal FC sharing ratios were applied of 50 percent federal, 20 percent GF and 30 percent county fund.

Item 141

- FC Non-Title IV-E Waiver Counties administrative savings are based on 266 casemonths in FY 2009-10, and 757 casemonths in FY 2010-11, of cases leaving FC, multiplied by the average FC administrative cost of $57.11. The cost is shared 50 percent federal, 35 percent GF, and 15 percent county funds.

Kinship Guardianship Assistance Payment Program Dual Agency Rate

METHODOLOGY (CONTINUED):

Item 151

- CWS Non-Title IV-E Waiver savings are based on 266 casemonths in FY 2009-10, and 757 casemonths in FY 2010-11, of cases no longer receiving CWS, multiplied by the average Long Term Foster Care (Permanent Placement) cost per month of $392. The cost is shared 50 percent federal, 35 percent GF, and 15 percent county funds.

FUNDING:

Item 101

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

Items 141 and 151

FC and CWS costs are shared 50 percent federal, 35 percent GF, and 15 percent county.

CHANGE FROM THE APPROPRIATION:

The Current Year (CY) Kin-GAP Administrative, FC 141, and CWS 151 costs have been held to the Appropriation. The CY Kin-GAP basic costs decreased, and the FC 101 savings decreased due to a fewer number of cases eligible for Kin-GAP than what was projected in the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase reflects the impact of caseload growth.

EXPENDITURES:

(In 000's)

Kin-GAP – 101 – Basic Costs	2009-10	2010-11
Total	$731	$2,082
Federal	0	0
State	444	1,265
County	287	817
Reimbursements	0	0

Kinship Guardianship Assistance Payment Program Dual Agency Rate

EXPENDITURES (CONTINUED):

(In 000's)

Kin-GAP- 101 – Administrative Costs	2009-10	2010-11
Total	$25	$43
Federal	0	0
State	25	43
County	0	0
Reimbursements	0	0

FC- 101 - Savings	2009-10	2010-11
Total	-$414	-$1,180
Federal	-207	-590
State	-83	-236
County	-124	-354
Reimbursements	0	0

FC- 141 - Savings	2009-10	2010-11
Total	-$25	-$46
Federal	-12	-23
State	-9	-16
County	-4	-7
Reimbursements	0	0

CWS- 151 - Savings	2009-10	2010-11
Total	-$178	-$315
Federal	-89	-157
State	-62	-110
County	-27	-48
Reimbursements	0	0

Dual Agency – Supplement to the Rate

DESCRIPTION:

This premise reflects the cost to provide a supplemental rate to the existing Adoption Assistance Program (AAP) and the federal Aid to Families with Dependent Children-Foster Care (AFDC-FC) program. The California Department of Social Services (CDSS) and the California Department of Developmental Services (DDS) have developed a rate-setting methodology for the care and supervision of foster and adoptive children receiving services from both county welfare departments and regional centers. An established rate of $2,006 for AAP and the federal AFDC-FC program for children over the age of three was approved in Senate Bill (SB) 84 (Chapter 177, Statutes of 2008). SB 84 also established a workgroup consisting of multiple state and county departments, advocacy groups, the Legislative Analyst Office, and regional centers to develop the criteria for children with "extraordinary needs" that will be eligible for a supplement to that rate. During that process, it was agreed that the supplement to the rate is to be comprised of four payment categories - $250, $500, $750, and $1,000. The supplement to the rate is to be paid retroactively back to July 1, 2007, for eligible children. The SB 84 workgroup criteria for children eligible for the supplement to the rate and the instructions to administer the program were released in All County Letter 08-54 on December 1, 2008. The estimates are based on the below assumptions until actual data from counties can be analyzed.

IMPLEMENTATION DATE:

This premise implemented retroactively to July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: SB 84 (Chapter 177, Statutes of 2008).
- All estimates are based on children who receive AAP benefits, or children who receive AFDC-FC benefits and who reside in a Relative Home (RH) or Foster Family Home (FFH).
- It is assumed that currently no Kinship Guardianship Assistance Payment (Kin-GAP) program cases receive regional center services. Assembly Bill (AB) X4 4 legislation allows for children over three years of age living in an AFDC-FC placement with a relative for more than a year to be eligible for not only the dual agency rate (see Dual Agency Kin-GAP premise) of $2,006, but the supplement to the rate as well. This estimate costs out the supplement to the rate.
- The estimate assumes a transfer of Foster Care (FC) funds from Item 101 to Item 153 for estimated claims by Title IV-E Waiver counties.
- Until further actual claimed data can be analyzed, the Appropriation for Fiscal Year (FY) 2009-10 will be held for the November FY 2009-10 and FY 2010-11 estimates.

<u>AAP Caseload</u>

- As a result of a data match between CDSS and DDS, it is estimated that total of 1,867 adoption cases over the age of three receive AAP payments and regional center services. Additionally, it is estimated that 225 new cases will enter over a 12 month period in FY 2009-10.
- Cases presumed to be eligible for the federal AAP make up 86 percent of the total AAP payment caseload, based on data through December 2008 as reported on the CA 800 claim forms.

Dual Agency – Supplement to the Rate

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on a Regional Center Survey – Alternative Residential Model (ARM) Level Analysis Summary – the estimate assumes that 58 percent of children residing in an adoption placement will receive a supplement to the rate. Of these, 25 percent will receive a supplement of $250, 18 percent will receive a supplement of $500, 18 percent will receive a supplement of $750, and 39 percent will receive a supplement of $1,000.

FC Caseload

- As a result of a data match between CDSS and DDS, it is estimated that total of 1,004 FFH and RH cases over the age of three receive FC grants and regional center services. Additionally, it is estimated that 63 cases will enter over a 12 month period in FY 2009-10.
- Federal cases are projected to account for 73 percent of total placements.
- Based on a Regional Center Survey – ARM Level Analysis Summary – the estimate assumes that 58 percent of children residing in an FFH or RH placement will receive a supplement to the rate. Of these, 25 percent will receive a supplement of $250, 18 percent will receive a supplement of $500, 18 percent will receive a supplement of $750, and 39 percent will receive a supplement of $1,000.

Kin-GAP Caseload

- It is estimated that 248 FC children over the age of three receive regional center services and have been living in a stable placement with a relative for more than one year. Of these, it is estimated that 60 percent or 149 cases, would transition to Kin-GAP and phase in over a 24 month period starting July 1, 2009.
- Based on a Regional Center Survey – ARM Level Analysis Summary – the estimate assumes that 58 percent of children transitioning from an RH placement to Kin-GAP will receive a supplement to the rate. Of these, 25 percent will receive a supplement of $250, 18 percent will receive a supplement of $500, 18 percent will receive a supplement of $750, and 39 percent will receive a supplement of $1,000.

Child Welfare Services (CWS) Caseload

- It is estimated that 343 new cases for the non-Title IV-E Waiver counties will enter dual agency status and require additional social worker activities in FY 2009-10.
- The estimate assumes an average of 4.75 hours of social worker time to complete the 'Supplement to the Rate – Questionnaire' and 'Supplement to the Rate – Eligibility Form'.

METHODOLOGY:

AAP

It is estimated that 14,565 cumulative AAP casemonths will be paid in FY 2009-10. Of these, 3,641 casemonths are expected to receive $250, 2,622 will receive $500, 2,622 will receive $750, and 5,680 will receive $1,000. The standard AAP sharing ratios apply.

FC

It is estimated that 7,428 FC casemonths will be paid in FY 2009-10. Of these, 1,857 casemonths are expected to receive $250, 1,337 will receive $500, 1,337 will receive $750, and 2,897 will receive $1,000. The standard FC sharing ratios apply.

Dual Agency – Supplement to the Rate

METHODOLOGY (CONTINUED):

KinGAP

It is estimated that 280 cumulative Kin-GAP casemonths will be paid in FY 2009-10. Of these, 70 casemonths are expected to receive $250, 50 will receive $500, 50 will receive $750, and 110 will receive $1,000. The standard Kin-GAP sharing ratios of 50 percent General Fund (GF) and 50 Percent county funds apply. The $347 (one hundred percent GF) is included in the basic dual agency grant of $2,006, and will not be applied to the supplement to the rate.

CWS

For CWS, the 56 county foster care caseload is multiplied by the hours required to fill out additional forms, multiplied by the hourly cost of a social worker (343 cases x $72.60 x 4.75 hours).

FUNDING:

FC Item 101

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

CWS Item 151

After the foster care federal discount rate of 71 percent for FY 2009-10 and FY 2010-11 is applied; federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent GF and 30 percent county.

AAP

Federal funding is provided by Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of FFP based on the FMAP rate. Funding for the nonfederal costs and the costs of the nonfederal program are shared 75 percent GF and 25 percent county.

CHANGE FROM THE APPROPRIATION:

The Current Year has transferred estimated claims by Title IV-E waiver counties from Foster Care Item 101 to Item 153 Foster Care 101- Non-Base Premises. The total estimated expenditures have been held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Dual Agency – Supplement to the Rate

EXPENDITURES:

(In 000's)

Kin-GAP - 101	2009-10	2010-11
Total	$190	$190
Federal	0	0
State	95	95
County	95	95
Reimbursements	0	0

Foster Care - 101	2009-10	2010-11
Total	$4,196	$4,196
Federal	1,487	1,487
State	1,084	1,084
County	1,625	1,625
Reimbursements	0	0

AAP- 101	2009-10	2010-11
Total	$9,867	$9,867
Federal	4,243	4,243
State	4,218	4,218
County	1,406	1,406
Reimbursements	0	0

CWS- 151	2009-10	2010-11
Total	$118	$118
Federal	42	42
State	53	53
County	23	23
Reimbursements	0	0

Subsidized Relative Guardianship (P.L. 110-351)

DESCRIPTION:

This premise reflects the costs and savings associated with the federal Subsidized Relative Guardianship (SRG) program. This program implemented from the passing of the new federal law, Public Law (P.L.) 110-351, the Fostering Connections to Success and Increasing Adoptions Act of 2008, which permits states to opt in to a new kinship guardianship payment program eligible for federal financial participation (FFP). In order to be eligible for FFP, the federal law requires a written agreement with the relative be entered into for new cases; that subsidized guardianship payments continue regardless of state of residence; and, renegotiations of payment based on the needs of the child and the circumstances of the relative. Additionally, before a relative guardian may receive a Title IV-E subsidized guardianship agreement, a criminal background check must be conducted, and the child must have been in an approved or licensed relative home for six consecutive months prior to guardianship.

IMPLEMENTATION DATE:

This premise will implement on October 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: P.L. 110-351.
- The average SRG grant payment equals the average Kinship Guardianship Assistance Payment (Kin-GAP) program federal grant payment, which includes basic and enhanced amounts. This average SRG grant payment is $605.20.
- Caseload is based on a 24 month average of cases that moved from Foster Care to Kin-GAP. It is assumed that 118 new cases per month will move to the SRG program, beginning October 1, 2010.
- Administrative costs assume two hours to complete an initial assessment, comprised of the execution of the Kin-GAP agreement and additional documentation in the case plan. The cost for these two hours is $72.60 per hour. Administrative costs also assume an additional, ongoing one hour per case per month, which equals the average Kin-GAP cost per case of $33.73.
- The amount of FFP is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

To estimate the cost and savings of the SRG program, the projected cases are calculated as if they were transferring to the current state Kin-GAP program, utilizing current law and sharing ratios. These cases are then calculated under the new SRG sharing ratios. The costs of both the current Kin-GAP program and the new SRG program are subtracted which results in the cost and savings attributable to the SRG program. SRG administrative costs are calculated by multiplying the projected casemonths by the monthly administrative cost per case.

Subsidized Relative Guardianship (P.L. 110-351)

FUNDING:

The SRG program is paid with 50 percent federal funding, provided under Title IV-E of the Social Security Act, with the amount of FFP based on the FMAP rate. The balance of the SRG program is paid with 30 percent General Fund (GF) and 20 percent county funds.

Under the ARRA, the Title IV-E FMAP rate for the SRG services is 56.2 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

For administrative costs, federal portion is 50 percent of the federal discount rate (71 percent), with the remaining paid with GF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements on October 1, 2010.

EXPENDITURES:

(in 000's)

Item 101 – SRG Costs/Savings	2009-10 Grant	2010-11 Grant
Total	$0	$0
Federal	0	1,605
State	0	-1,562
County	0	-43
Reimbursements	0	0

(in 000's)

Item 101 – SRG Administration	2009-10 Admin.	2010-11 Admin.
Total	$0	$476
Federal	0	169
State	0	307
County	0	0
Reimbursements	0	0

Title IV-E Child Support Collections/Recovery Fund

DESCRIPTION:

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

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

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

METHODOLOGY:

The estimates are provided by DCSS.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

The decrease in collections reflects updated actual FC collections.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in collections reflects updated actual FC collections.

Title IV-E Child Support Collections/Recovery Fund

Offset Collections:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	-$8,295	-$8,269
Federal	-8,295	-8,269
State	0	0
County	0	0
Reimbursements	0	0

Recovery Fund:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$8,295	$8,269
Federal	8,295	8,269
State	0	0
County	0	0
Reimbursements	0	0

Foster Family Home – Basic Costs

DESCRIPTION:

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

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

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11461.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The caseload presumed to be eligible for federal and nonfederal Foster Care (FC) program benefits is based on the 18 month period, ending June 2009 as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 68.6 percent of total FFH placements.
- Federal and nonfederal average grant computations utilized caseload and expenditure data reported by the non-Title IV-E Waiver counties on the CA 237 FC during the most recent 18 month period ending June 2009. The projected federal grant is $721.39 and the nonfederal grant is $768.98.
- The percentage of federally-eligible expenditures is based on actual county expenditure data.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

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

Foster Family Home – Basic Costs

FUNDING:

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

Title IV-E FMAP rate will temporarily increase by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM THE APPROPRIATION:

The increase is the net impact of a decrease due to lower caseloads than projected in the Appropriation, and the increase associated with the enhanced Kinship Guardianship Assistance Payment program and Assembly Bill 1331 (Supplemental Security Income/State Supplementary Program application) costs being in the grant and caseload trends.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a projected caseload decline.

CASELOAD:

	2009-10	2010-11
Average Monthly Caseload	20,804	19,568
Federal Caseload	14,274	13,426
Nonfederal Caseload	6,530	6,142

EXPENDITURES:

(in 000's)	2009-10	2010-11
FFH – Basic Costs	Grant	Grant
Total	$183,821	$172,898
Federal	54,510	51,271
State	51,724	48,651
County	77,587	72,976
Reimbursements	0	0

Foster Family Home – Basic Costs

EXPENDITURES (CONTINUED):

FFH – Federal	2009-10 Grant	2010-11 Grant
Total	$123,561	$116,219
Federal	54,510	51,271
State	27,620	25,979
County	41,431	38,969
Reimbursements	0	0

FFH – Nonfederal	2009-10 Grant	2010-11 Grant
Total	$60,260	$56,679
Federal	0	0
State	24,104	22,672
County	36,156	34,007
Reimbursements	0	0

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Group Home – Basic Costs

DESCRIPTION:

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

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

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11462.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The caseload presumed to be eligible for federal and nonfederal Foster Care (FC) program benefits is based on an 18 month period, ending June 2009, as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 56.7 percent of total GH placements.
- The federal and nonfederal average grant computations utilized caseload and expenditure data reported on the CA 237 FC during the most recent six month period ending June 2009. The projected federal grant is $5,175.44 and the nonfederal grant is $5,623.54.
- The percentage of federally-eligible expenditures is based on actual county expenditure data.
- The amount of Federal Financial Participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

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

Group Home – Basic Costs

FUNDING:

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

Title IV-E FMAP rate will temporarily increase by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM THE APPROPRIATION:

The Current Year decrease reflects lower projected caseloads, and updated average grants based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a projected caseload decline.

CASELOAD:

	2009-10	2010-11
Average Monthly Caseload	6,282	5,916
Federal Caseload	3,563	3,356
Nonfederal Caseload	2,719	2,560

EXPENDITURES:

(in 000's)	2009-10	2010-11
GH – Basic Costs	Grant	Grant
Total	$404,758	$381,193
Federal	97,631	91,944
State	122,851	115,700
County	184,276	173,549
Reimbursements	0	0

Group Home – Basic Costs

EXPENDITURES (CONTINUED):

(in 000's)

GH – Federal	2009-10 Grant	2010-11 Grant
Total	$221,307	$208,415
Federal	97,631	91,944
State	49,471	46,588
County	74,205	69,883
Reimbursements	0	0

GH – Nonfederal	2009-10 Grant	2010-11 Grant
Total	$183,451	$172,778
Federal	0	0
State	73,380	69,112
County	110,071	103,666
Reimbursements	0	0

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Foster Family Agency – Basic Costs

DESCRIPTION:

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

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

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

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 11463 and 18358.3.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The caseload presumed to be eligible for federal and nonfederal FC program benefits are based on a 12 month period ending June 2009, as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 81.3 percent of total FFA placements.
- Federal and nonfederal average grant computations utilized caseload and expenditure data reported by the counties on the CA 237 FC during the most recent 12 month period ending June 2009. The projected federal grant is $1,727.90 and the nonfederal grant is $2,141.32.
- The percentage of federally-eligible expenditures is based on actual county expenditure data.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

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

Foster Family Agency – Basic Costs

FUNDING:

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

Title IV-E FMAP rate will temporarily increase by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM THE APPROPRIATION:

The Current Year decrease reflects lower caseloads and updated average grants based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year decrease reflects projected caseload decline.

CASELOAD:

	2009-10	2010-11
Average Monthly Caseload	12,056	11,987
Federal Caseload	9,807	9,751
Nonfederal Caseload	2,249	2,236

EXPENDITURES:

(in 000's)	2009-10	2010-11
FFA – Basic Costs	Grant	Grant
Total	$261,134	$259,659
Federal	89,705	89,199
State	68,572	68,184
County	102,857	102,276
Reimbursements	0	0

Foster Family Agency – Basic Costs

EXPENDITURES (continued):

(in 000's)

FFA– Federal	2009-10 Grant	2010-11 Grant
Total	$203,340	$202,192
Federal	89,705	89,199
State	45,454	45,197
County	68,181	67,796
Reimbursements	0	0

FFA – Nonfederal	2009-10 Grant	2010-11 Grant
Total	$57,794	$57,467
Federal	0	0
State	23,118	22,987
County	34,676	34,480
Reimbursements	0	0

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Seriously Emotionally Disturbed Basic Costs

DESCRIPTION:

This premise reflects the out-of-home board and care costs associated with children placed in accordance with the Seriously Emotionally Disturbed (SED) program. Assembly Bill (AB) 3632 (Chapter 1747, Statutes of 1984) and AB 882 (Chapter 1274, Statutes of 1985) authorized the SED program as a separate out-of-home care component. Eligible participants are children designated as SED by the California Department of Education (CDE).

Senate Bill 485 (Chapter 722, Statutes of 1992) modified the program by eliminating any California Department of Social Services participation in funding “for profit" facilities, shifting responsibility for the cost of children in those facilities to the CDE and local education agencies.

Payments may be made on behalf of SED children placed in privately operated residential facilities licensed in accordance with the Community Care Facilities Act, and shall be based on foster care rates established in accordance with Welfare and Institutions Code (W&IC) sections 11460 to 11467, inclusive. Most SED children are placed in group home psychiatric peer group Rate Classification Levels 12 through 14; however, some children are placed in foster family homes or foster family agencies. As there is no court adjudication, these children are eligible only for nonfederal foster care program benefits.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1987.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 18350-18356.
- Casemonths are based on trend caseload projections.
- Average grants are based on actual expenditure and caseload data for the most recent 12 months ending June 2009. The projected average grant for Los Angeles County is $5,542.47. The projected average grant for the remaining counties is $5,836.64.

METHODOLOGY:

SED costs are the product of projected casemonths and the computed average grant. Program costs are the aggregate of separate projections for Los Angeles County and the remaining 57 counties.

FUNDING:

SED costs are shared 40 percent General Fund and 60 percent county funds.

Seriously Emotionally Disturbed Basic Costs

CHANGE FROM THE APPROPRIATION:

The Current Year decrease reflects slower caseload growth than projected for the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase reflects projected caseload growth.

CASELOAD:

	2009-10	2010-11
Average Monthly Caseload	1,970	2,051

EXPENDITURES:

(in 000's)

	2008-09	2009-10
	Grant	Grant
Total	$135,509	$141,115
Federal	0	0
State	54,204	56,446
County	81,305	84,669
Reimbursements	0	0

Supplemental Clothing Allowance

DESCRIPTION:

This premise reflects expenditures associated with an augmentation of $100 per child to the existing clothing allowance program for children placed in Foster Family Homes (FFHs) or certified family homes of Foster Family Agencies (FFAs) for 56 non-Title IV-E Waiver counties. Funds for the waiver counties are included in Item 153, Title IV-E Waiver.

Currently, counties have the authority to provide a clothing allowance, in addition to the basic foster care rate paid on behalf of eligible foster children. This premise reflects an augmentation to the current program funding level, allowing for an annual supplemental clothing allowance of $100 per child with no county share of cost.

Counties that currently have clothing allowance expenditures are expected to maintain their current level of funding in the program. The additional state and federally funded clothing allowance is intended to supplement not supplant current spending levels.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 11461(f) (4) and 11463(g).
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The statewide annual supplemental clothing allowance will be $100 per child.
- All FFH and FFA placements are eligible for the clothing allowance. The average monthly projected caseload is 32,860 for Fiscal Year (FY) 2009-10, and 31,555 for FY 2010-11.
- All cases shifting to the Kinship Guardianship Assistance Payment (Kin-GAP) program are presumed to receive the clothing allowance prior to exiting foster care.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

The counties expenditures for the statewide supplemental clothing allowance are a product of the projected cases and the $100 allowance.

Supplemental Clothing Allowance

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of FFP based on the FMAP rate. Funding for the nonfederal share of federal program costs and for those cases not meeting federal eligibility criteria is 100 percent General Fund.

Title IV-E FMAP rate will temporarily increase by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM THE APPROPRIATION:

The Current Year decrease reflects lower caseloads than projected in the appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year decrease reflects a projected decline in caseloads.

EXPENDITURES:

(in 000's)	2009-10	2010-11
	Grant	Grant
Total	$3,286	$3,156
Federal	1,204	1,159
State	2,082	1,997
County	0	0
Reimbursements	0	0

Title XX Funding

DESCRIPTION:

This premise reflects the Title XX Social Services Block Grant awarded to the state as well as the Temporary Assistance for Needy Families (TANF) funds that are transferred to Title XX. This funding is provided under Title XX of the federal Social Security Act as amended by the federal Omnibus Budget Reconciliation Act of 1981. Federal funding for social services has been given to states under Title XX since October 1981. In order to qualify for these funds, a state must prepare an expenditure plan prior to the start of the state fiscal year that is consistent with the five Title XX goals:

1. Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency.
2. Achieving or maintaining self-sufficiency, including reduction or prevention of dependency.
3. Preventing or remedying neglect, abuse or exploitation of children or adults unable to protect their own interests; or preserving, rehabilitating or reuniting families.
4. Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care.
5. Securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions.

Through Fiscal Year (FY) 1992-93, Title XX funds were used exclusively to fund the In-Home Supportive Services (IHSS) program. With the implementation of the Title XIX Personal Care Services Program in 1993, a portion of the Title XX funds was shifted to other eligible programs. Those funds now support the following programs:

- Foster Care services (goal 3);
- Child Welfare Services (CWS) (goals 3 and 4);
- Deaf Access Program (goals 1 and 2);

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13000 through 13008.
- State legislation permits Title XX funds to be used in CWS and Foster Care to supplant the state share without affecting county funds.
- The Title XX funding awarded to California is $204.9 million for Federal Fiscal Year (FFY) 2009 and FFY 2010. $365.1 million in TANF grant dollars in FFY 2009-10 and $363.9 million in TANF grant dollars in FFY 2010-11 will be transferred to Title XX.
- The FFY awards are adjusted to conform to FY funding needs.

Title XX Funding

METHODOLOGY:

- In the Current Year (CY) $28.9 million in TANF grant dollars will be transferred into the Title XX Block Grant to fund services for children residing in group homes in non-Title IV-E Waiver counties. The funds decrease to $28.3 million in the Budget Year (BY) for the non-Title IV-E Waiver counties. In the CY and the BY, $16.9 million in TANF grant dollars will be transferred into the Title XX Block Grant to fund services for children residing in group homes in the Title IV-E Waiver counties.
- For FY 2009-10 and FY 2010-11, $147.9 million in Title XX funds are being shifted to the Department of Developmental Services (DDS).
- TANF funds are transferred to Title XX for the following purposes: $40.7 million in FY 2009-10 and $39.6 million in FY 2010-11 for non-Title IV-E Waiver counties, and $24.2 million for each FY for the Title IV-E Waiver counties to supplant a portion of the state share of CWS eligible expenditures in the California Department of Social Services (CDSS), and $56.0 million for CY and $98.7 million for the BY are added to the Title XX funds shifted to DDS.
- In the Deaf Access Program, $3.0 million in Title XX funds for both the CY and the BY will reduce the General Fund (GF) share in an otherwise 100 percent GF program.
- In the CY and the BY, $20.0 million of TANF funds may be transferred to Title XX for child care: $10 million for CDSS' Stage One Child Care program and $10 million for the California Department of Education's child care programs, in order to broaden access to Child and Adult Care Food Program (CACFP) benefits for low-income children in proprietary child care centers. The CY and BY reflect an additional TANF Title XX amount of $178.5 million and $136 million respectively to fund Stage One Child Care.

FUNDING:

Title XX is a federal block grant that does not require a state or county match.

CHANGE FROM THE APPROPRIATION:

The Title XX transfer from TANF for Foster Care in the CY and the BY has decreased to reflect actual expenditures. For FY 2009-10, the Title XX transfer from TANF to Stage One Child Care has increased due to an increase in Title XX-eligible costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The net change in the Title XX transfer was due to a reduction in the amount of TANF that can be transferred to Title XX. The TANF Title XX shifting of funds to CWS decreased in the BY due to a decrease in eligible costs. This has resulted in a commensurate increase in the amount of TANF Title XX available to fund Stage One Child Care.

Title XX Funding

EXPENDITURES:
(in 000's)

	2009-10 Grant	2010-11 Grant
Total Title XX	**$571,203**	**$570,003**
Title XX Grant	206,071	206,071
TANF Transfer In	365,132	363,932
Foster Care (Transfer from TANF)		
Item 101		
Federal	28,890	28,322
State	-28,890	-28,322
Item 153		
Federal	16,858	16,858
State	-16,858	-16,858
CWS		
(Item 151)		
CWS Transfer to DDS	$203,903	$ 246,646
CWS (Title XX Transfer to DDS)	0	0
Federal	147,903	147,903
State	0	0
CWS (Transfer from TANF)		
For Transfer to DDS		
Federal	56,000	98,743
State	0	0

Title XX Funding

EXPENDITURES (CONTINUED):

(in 000's)

		2009-10 Grant	2010-11 Grant
For CWS (Transfer from TANF)			
Item 151			
	Federal	$40,715	$39,624
	State	-40,715	-39,624
Item 153			
	Federal	24,150	24,150
	State	-24,150	-24,150
Deaf Access (Item 151)		$0	$0
	Federal	2,996	2,996
	State	-2,996	-2,996
CalWORKs Child Care (Transfer from TANF)			
		$198,519	$156,235
	Federal	198,519	156,235
	State	0	0

Supportive Transitional Emancipation Program

DESCRIPTION:

This premise reflects the cost to provide financial support to emancipating foster youth up to age 21 if participating in an educational or training program or any activity consistent with their "transitional independent living plan." These payments are authorized by Assembly Bill 427 (Chapter 125, Statutes of 2001) which added Section 11403.1 to the Welfare and Institutions Code (W&IC). This premise also reflects the administrative costs for updating the Transitional Independent Living Plan (TILP) and determining the eligibility of applicants for the Supportive Transitional Emancipation Program (STEP).

IMPLEMENTATION DATE:

This premise was effective on January 1, 2002; however no counties have implemented the program.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11403.1
- There are no counties planning to participate in the program at this time.
- Trailer bill language limits participation in this program subject to the availability of funds in the current Budget Act.

METHODOLOGY:

There are no counties planning to participate in the program at this time.

FUNDING:

There are no counties planning to participate in the program at this time.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Supportive Transitional Emancipation Program

EXPENDITURES:

(in 000's)

101 – Assistance Payments – STEP	2009-10 Grant	2010-11 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Item 141 – STEP Eligibility	2009-10 County Admin.	2010-11 County Admin.
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Item 151 – STEP Plan Activity	2009-10 County Admin.	2010-11 County Admin.
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Emergency Assistance Program

DESCRIPTION:

This premise reflects the costs associated with the Emergency Assistance (EA) Foster Care (FC) and General Assistance (GA) programs, which provide funding for benefits and services granted to children and families in emergency situations. Eligibility is restricted to one episode in any 12-month period. The EA-FC Welfare program provides support payments for dependents and voluntary FC placements not otherwise eligible for federal Title IV-E benefits. The "Child Welfare Services-Emergency Assistance" premise discusses additional program components.

Public Law (P.L.) 104-193 eliminated Title IV-A funding for the EA program but permitted use of Temporary Assistance for Needy Families (TANF) dollars for EA funding. Although P.L. 104-193 allowed TANF funding for this portion of the EA program, the Budget Act of 1997 replaced the TANF funding with General Fund (GF). Based on interpretation of the final TANF regulations, that EA GF expenditures are not countable towards the TANF maintenance of effort requirement, effective October 1, 1999, the GF was replaced with TANF funding.

The EA-GA program provides funding for qualified aliens and other cases that do not qualify for federal or state FC. Only those "qualified aliens" who entered the country before August 22, 1996, are eligible for TANF-funded services.

IMPLEMENTATION DATE:

The EA-FC Welfare program became effective September 1, 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10101.
- Based on actual expenditure and caseload data through June 2009, the projected average grant for EA-FC cases is $1,434.16 and the projected average grant for EA-GA cases is $1,969.34.
- EA casemonths are projected using a 24-month linear trend forecast based on actual caseload data. EA-FC and EA-GA caseloads are projected separately.
- The Current Year (CY) EA administrative costs have been updated based on actual claims.
- Foster children receiving EA benefits are eligible to receive the $100 supplemental clothing allowance.

METHODOLOGY:

- **Item 101** – EA-FC and EA-GA costs are the product of projected casemonths and the computed average grant, plus the cost of the supplemental clothing allowance for each case.
- **Item 141** - Costs for administrative activities performed by County Welfare Department staff are based upon actual expenditures and adjusted for caseload growth in both Fiscal Years (FYs) 2009-10 and 2010-11. Administrative costs also include $35,000 added to the federal share for reimbursements to the California Department of Health Services for data processing activities associated with the Assistance to Children in Emergency System, which enables tracking of EA cases currently receiving assistance.

Emergency Assistance Program

FUNDING:

EA funding was used in the TANF block grant calculation and, therefore, is part of the TANF funding schedule.

Effective October 1, 1999, the EA-FC component is funded 70 percent TANF, 30 percent county; the EA-GA component is funded 50 percent TANF, 50 percent county; and, the EA administrative costs are funded 85 percent TANF and 15 percent county.

The supplemental clothing allowance component is funded 100 percent with TANF.

CHANGE FROM THE APPROPRIATION:

The CY Item 101 costs increase is a result of higher actual caseload than was projected for the Appropriation. The CY administrative costs increase is based on actual claims. GF is being used for both the CY and the Budget Year (BY) in lieu of TANF funds to fund both grant and county administrative costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in BY costs reflects a projected increase in caseload.

CASELOAD:

	2009-10	2010-11
Average Monthly Caseload	3,414	3,463

EXPENDITURES:

(in 000's)

ITEMS 101 & 141 – EA	2009-10		2010-11	
	Grant	County Admin.	Grant	County Admin.
Total	$59,270	$5,511	$60,117	$5,590
Federal	0	0	0	0
State	41,459	4,690	42,053	4,757
County	17,811	821	18,064	833
Reimbursements	0	0	0	0

Expansion Intensive Treatment Foster Care (ITFC) Program (SB 1380)

DESCRIPTION:

This premise reflects the savings associated with expanding the number of children eligible for the Intensive Treatment Foster Care (ITFC) program in the 56 non-waiver counties, by including youth with serious behavioral problems.

Senate Bill (SB) 1380 authorizes the expansion of eligibility of children and services for the ITFC program by increasing the types of services that Foster Family Agencies would be required to provide or arrange for under the program. The overall purpose of ITFC is to provide a home-like placement alternative for children and youth with significant behavior challenges. This premise will also require revisions to eligibility, operational, reporting, and foster parent training components of the ITFC program.

ITFC premise seeks to improve outcomes for foster youth by providing less restrictive environments for children, and allows the counties to determine which children from the expanded eligible population in Group Homes with Rate Classification Levels (RCLs) 9-11 will be placed in ITFC programs.

This premise limits the number of children able to participate in the ITFC program to 750 in the first three years (excluding counties participating in the Title IV-E Waiver Demonstration Project). This limitation will allow time to determine if the expansion of eligibility, pursuant to this premise, produces the desired outcome of reducing the group home population, in keeping with the state's public policy goals.

IMPLEMENTATION DATE:

Implementation of this premise has been suspended pending availability of state resources.

KEY DATA/ASSUMPTIONS:

Authorizing statute: SB 1380 (Chapter 486, Statutes of 2008)

- This estimate reflected costs for only the 56 non-Title IV-E Waiver counties.
- 30 cases were assumed as the initial monthly caseload.
- 30 additional cases were added each successive month until the 750 limit is reached.
- The following rates of $5,091 for the average of RCLs 9-11 and $4,101 for the average of ITFC Rates A-C are used to calculate potential savings.

METHODOLOGY:

The estimated savings were the product of casemonths multiplied by the difference between the average rate based on ITFC Rates A-C less the average rate for RCL 9-11 cases.

Expansion Intensive Treatment Foster Care (ITFC) Program (SB 1380)

FUNDING:

The program funding is based on Foster Family Agency sharing ratios.

CHANGE FROM THE APPROPRIATION:

As a result of the implementation of this premise being suspended, there is an erosion of savings.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	0	0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Foster Care Overpayments

DESCRIPTION:

This premise reflects the costs associated with Title IV-E Foster Care Overpayments. The federal Department of Health and Human Services (DHHS) Region IX has notified the California Department of Social Services (CDSS) that the federal share of Title IV-E overpayments identified through state audits performed on group homes and the share of Title IV-E overpayments identified through county overpayments must be returned immediately once the overpayment has been identified as required by federal regulations. The practice has been to repay the federal share upon recoupment from foster care providers. Therefore, DHHS has issued a demand for repayment for the federal share of all state and county overpayments identified regardless of whether or not CDSS collects the overpayment.

IMPLEMENTATION DATE:

Adjustments to federal claim began in Fiscal Year (FY) 2006-07.

KEY DATA/ASSUMPTIONS:

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties from July 1, 2007.
- An estimated $460,000 of additional county audit claims prior to July 2009 has been added to the FY 2009-10 estimate.
- Beginning July 1, 2009, counties will begin paying their share of the reported overpayments.

METHODOLOGY:

Overpayments are estimated based on actual county claims.

FUNDING:

Senate Bill 84 (Chapter 177, Statutes of 2007) requires that General Fund (GF) will pay the full federal share of all uncollected overpayments until regulations have been adopted, after which counties will be required to share at the normal non-federal foster care sharing ratios. Funding for the repayment of the federal Title IV-E overpayments will be 40 percent GF and 60 percent county.

CHANGE FROM THE APPROPRIATION:

The Current Year (CY) increased costs are a result of increased county audit claims prior to July 1, 2009.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is the result of Budget Year estimated actual on-going overpayment expenditures compared to CY actual on-going overpayment expenditures combined with retroactive (uncollected) overpayments.

Foster Care Overpayments

EXPENDITURES:

(in 000's)

ITEM 101 – FC Payments	2009-10 Grant	2010-11 Grant
Total	$3,126	$2,666
Federal	0	0
State	1,788	1,328
County	1,338	1,338
Reimbursements	0	0

Title IV-E Foster Parent Child Care Program

DESCRIPTION:

This premise provides the state the budgetary authority to pass through federal Title IV-E funds to counties for the implementation of a child care program for foster parents. Senate Bill 1612 (Chapter 845, Statutes of 2004) permits the pass through of federal Title IV-E funds, subject to federal approval, for the purpose of implementing a child care program in participating counties. There will be no General Fund (GF) participation, and the 50 percent match will be provided by participating counties. Under Title IV-E foster care maintenance costs, states have the option to offer subsidized child care to foster parents when the need is related to non-ordinary parental duties such as foster parents who must work and school activities outside the home. On March 17, 2005, the Federal Department of Health and Human Services provided a policy clarification that allows states to implement a child care program, in some or all jurisdictions of the state, and that a State Plan Amendment is not necessary to implement this maintenance payment option.

IMPLEMENTATION DATE:

This premise was implemented on July 1, 2005.

KEY DATA/ASSUMPTIONS:

- Title IV-E is a federal funding source for children placed in out-of-home care who are eligible to receive Aid to Families with Dependent Children-Foster Care (AFDC-FC). Title IV-E funds provide the state and counties with matching funds for out-of-home placement costs, e.g. foster care which now includes child care. Federal financial participation is available at the Federal Medical Assistance Payment (FMAP) rate of 50 percent. Counties will be responsible for providing the 50 percent match.
- This program is open to all counties statewide. The counties currently participating in the Title IV-E child care program include Butte, Orange, San Francisco, San Mateo, Santa Clara, Siskiyou, and Yolo.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

The estimate utilized actual expenditures from Fiscal Year (FY) 2008-09 to project the Current Year (CY) and Budget Year (BY) estimates.

FUNDING:

This premise is funded with 50 percent federal funds, 50 percent county funds. There is no GF share.

Title IV-E FMAP rate will temporarily increase by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

Title IV-E Foster Parent Child Care Program

CHANGE FROM THE APPROPRIATION:

The CY decrease is based on updated actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease is based on a projected decrease in the Foster Family Home caseload.

EXPENDITURES:

(in 000's)	2009-10	2010-11
Total	$ 3,294	$3,100
Federal	1,647	1,550
State	0	0
County	1,647	1,550
Reimbursements	0	0

Multi-Treatment Foster Care (MTFC) Program Rates

DESCRIPTION:

The Multi-Treatment Foster Care (MTFC) premise is an evidence-based model of treatment foster care for children with severe emotional and behavioral disorders and/or severe delinquency. This model aims to create opportunities for youths to successfully live in families rather than in group or institutional settings. The California Department of Social Services (CDSS) has endorsed this model as a best practice for providing foster children with permanency and child/family well-being. CDSS is encouraging development of this model as part of the Program Improvement Plan (PIP).

Senate Bill (SB) 1380 (Chapter 486, Statutes of 2008), provides counties the authority to pursue MTFC programs and to work with shareholders to establish MTFC rates. Currently, implementation of the MTFC model is hampered by the challenges associated with setting appropriate MTFC rates. Several counties are currently utilizing the Intensive Treatment Foster Care (ITFC) rates to fund care and supervision for their MTFC programs, because the ITFC rate offers a higher payment for the foster parent to compensate for the extra care and supervision required by foster care providers. Counties must find additional funding beyond Aid to Families with Dependent Children–Foster Care (AFDC-FC) and Medi-Cal to close the gap between allowable AFDC-FC fundable activities and the funding necessary to pay for activities that are part of the MTFC model. Typically, the populations served in MTFC are children who are usually placed in group home Rate Classification Level (RCL) 12 or above and have a myriad of behavioral disorders and require an intense level of care and supervision from the foster parent.

IMPLEMENTATION DATE:

Implementation of this premise has been suspended pending the availability of state resources.

KEY DATA/ASSUMPTIONS:

- This estimate reflected cost/savings for only the 56 non-Title IV-E Waiver counties.
- The cases presumed to be eligible for federal and nonfederal MTFC program benefits are based on a maximum of 335 children from Group Home RCL 12 through 14.
- 28 new cases per month are phased into the program upon implementation.
- The following rates of RCL 12, $5,891, RCL 14, $6,694, and ITFC Range A, $4,476, were used to calculate costs/savings.
- Federal and nonfederal case costs not covered by Title IV-E were estimated at $350 per case per month.

METHODOLOGY:

The basic costs were the product of federal and nonfederal casemonths multiplied by the rates associated with RCL levels 12 and 14, which were then compared to the identical casemonths multiplied by the rates associated with the existing ITFC Range A rate. Additional federal and nonfederal case services/costs not covered under Title IV-E funding were calculated on the overall number of cases to offset the savings calculated between ITFC Range A rates and RCL rates.

Multi-Treatment Foster Care (MTFC) Program Rates

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

As a result of the implementation of this premise being suspended, there is an erosion of savings.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Educational Stability (P.L. 110-351)

DESCRIPTION:

This premise reflects the costs associated with reimbursing foster caregivers for travel expenses related to educational travel. The Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351) requires states to develop a plan to ensure the educational stability of a child in foster care. Part of meeting the educational stability requirement is for the placement decision to take into account the appropriateness of the current educational setting and the proximity to the school in which the child is enrolled at the time of placement. P.L. 110-351 authorizes the use of Title IV-E funds to pay for reasonable travel to the child's school of origin.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351).
- This estimate reflects costs for both the 56 non-Title IV-E Waiver counties under Item 101 and Title IV-E Waiver counties under Item 153.
- For Fiscal Year (FY) 2009-10 and FY 2010-11, the number of children whose placement is outside of their school district of origin is 9,835 for the 56 non-Title IV-E Waiver counties and 5,195 for the Title IV-E Waiver counties. Of those, there are 1,057 in the 56 non-Title IV-E Waiver counties and 558 children in the Title IV-E Waiver counties that are excluded from the estimate because they have an Individual Education Plan (IEP). The transportation costs for children with an IEP are already paid for by the Department of Education. The impacted caseload is 8,778 for the 56 non-Title IV-E Waiver counties and 4,636 for the Title IV-E Waiver counties.
- Personal vehicle mileage rate is 55 cents per mile.
- Assumes reasonable round trip mileage of 20 miles.
- Assumes an average of 180 school days annually.

METHODOLOGY:

The annual cost is calculated by multiplying the impacted caseload by 20 miles at a rate of 55 cents per mile for 180 school days. For FY 2009-10 the number of school days is 90 based on a January 1, 2010 implementation date. For FY 2010-11 the number of school days is the annual 180. The Title IV-E Waiver county funding for this premise is included as part of the Foster Care 101-Non-Base Premises total under Item 153.

Educational Stability (P.L. 110-351)

FUNDING:

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

Title IV-E FMAP rate will temporarily increase by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the American Recovery and Reinvestment Act 2009 (ARRA) must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM THE APPROPRIATION:

The implementation date has changing from March 1, 2010 to January 1, 2010 and the caseload has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year includes a full year of cost.

EXPENDITURES:

(in 000's)

Item 101	2009-10	2009-11
Total	$8,690	$17,380
Federal	3,085	6,170
State	2,242	4,484
County	3,363	6,726
Reimbursements	0	0

Item 153	2009-10	2009-11
Total	$4,590	$9,180
Federal	1,629	3,259
State	1,184	2,368
County	1,776	3,553
Reimbursements	0	0

Ten Percent Reduction to the Basic Care for Group Homes, Foster Family Agencies, and Seriously Emotionally Disturbed

DESCRIPTIONS:

This premise reflects the savings from reducing the Basic Care for Group Homes (GH), Foster Family Agencies (FFA), and Seriously Emotionally Disturbed (SED) by ten percent. Due to lower revenue projections and increased caseload driven costs, budget reductions are needed to balance the Fiscal Year (FY) 2009-10 and FY 2010-11 budgets. Foster Care rates for GHs and FFAs support the care and supervision needs of children placed in out-of-home care by child welfare and probation agencies. SED reflects the out-of-home board and care costs associated with children placed in accordance with the SED program.

IMPLEMENTATION DATE:

These reductions assume an implementation date of October 1, 2009.

KEY DATA/ASSUMPTIONS:

- For Title IV-E Non-Waiver counties, a ten percent reduction is assumed for current GH, and FFA estimates. For SED, a ten percent reduction is assumed for the current estimate.
- For the Title IV-E Waiver counties, a ten percent reduction was applied to the GH and FFA portion of the Foster Care 101 Base.
- A Preliminary Injunction issued by the United States District Court for the Northern District of California prohibiting reductions to group home rates for federally eligible children was issued on November 13, 2009 in the case of California Alliance of Child and Family Services v. John Wagner, et.al. On December 14, 2009, the Court issued an amended Preliminary Injunction to include all children, regardless of federal eligibility. The loss of savings as a result of this ruling is not yet reflected in the Governor's Budget and will be captured in the May 2010 revision.

METHODOLOGY:

The projected savings are the result of the reductions applied to the caseloads and corresponding average grants for the applicable programs.

FUNDING:

Foster Care

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

Ten Percent Reduction to the Basic Care for Group Homes, Foster Family Agencies, and Seriously Emotionally Disturbed

CHANGE FROM THE APPROPRIATION:

The Current Year (CY) net decrease in savings reflects lower caseloads than projected in the Appropriation, and updated average grants based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects a full year of savings – CY reflects 9 months of savings.

EXPENDITURES:

(In 000's)

Total Item 101

	2009-10	2010-11
Total	-$59,513	-$78,097
Federal	-13,816	-18,114
State	-18,279	-23,993
County	-27,418	-35,990
Reimbursements	0	0

Item 101 – Group Homes

	2009-10	2010-11
Total	-$30,133	-$38,119
Federal	-7,268	- 9,194
State	-9,146	-11,570
County	-13,719	-17,355
Reimbursements	0	0

Ten Percent Reduction to the Basic Care for Group Homes, Foster Family Agencies, and Seriously Emotionally Disturbed

EXPENDITURES (CONTINUED):

(In 000's)

Item 101 - Foster Family Agencies	2009-10	2010-11
Total	-$19,143	-$25,966
Federal	-6,548	- 8,920
State	-5,038	- 6,818
County	-7,557	-10,228
Reimbursements	0	0

Item 101 – Seriously Emotionally Disturbed

	2009-10	2010-11
Total	-$10,237	-$14,012
Federal	0	0
State	-4,095	-5,605
County	-6,142	-8,407
Reimbursements	0	0

Item 153 – Title IV-E Waiver Counties

	2009-10	2010-11
Total	- $7,980	-$ 10,640
Federal	0	0
State	-7,980	-10,640
County	0	0
Reimbursements	0	0

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American Recovery and Reinvestment Act of 2009 for SRG, FC, AAP, and IHSS – FMAP Increase

DESCRIPTION:

This premise reflects the impact of increasing the Federal Medical Assistance Percentage (FMAP) rate from 50 percent to 56.2 percent for the Subsidized Relative Guardianship (SRG), Foster Care (FC), and Adoption Assistance Program (AAP), due to the enactment of the American Recovery and Reinvestment Act (ARRA) of 2009. This premise also reflects the impact of increasing the FMAP rate from 50 percent to 61.594 percent for services under the In-Home Supportive Services (IHSS) Personal Care Services Program (PCSP) and IHSS Plus Option (IPO). The ARRA is a multi-year, federal economic stimulus program. With respect to programs under the purview of the California Department of Social Services, the purposes of the funds are to preserve and create jobs and promote economic recovery; assist those impacted by the recession; and stabilize state and local government budgets.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Public Law (P.L.) 111-5. FMAP increase for SRG/FC/AAP: P.L. 111-5, Division B, Title V, Section 5001(b). FMAP increase for IHSS: P.L. 111-5, Division B, Title V, Section 5001(c).
- Assumes only new cases will transfer from the existing state funded Kinship Guardianship Assistance Payment Program (Kin-GAP) to the new SRG program, effective October 1, 2010.
- Assumes federal-only AAP cases will be eligible for the FMAP increase.
- Assumes federal-only FC cases will be eligible for the FMAP increase.
- Assumes that the federal share of the PCSP and IPO will be eligible for an 11.594 percent FMAP increase, effective October 1, 2008, through June 30, 2011.
- Effective September 30, 2009, the IHSS Independence Plus Waiver (IPW) expired and will not be renewed. On October 1, 2009, the IPO was implemented. The new IPO absorbed the IPW caseload, and provides the same services as the IPW plus an enhanced support system. Service costs are expected to be the same for this same population. For more information, please see the IPO – Administration premise description.
- Assumes IHSS reflects the impact of the “Limit IHSS Services to Recipients with FI Score of 4.00 and Above” premise in the Current Year (CY) and Budget Year (BY).
- Assumes the expiration date of December 31, 2010, will be extended until June 30, 2011. This extension must be approved by the federal government.

American Recovery and Reinvestment Act of 2009 for SRG, FC, AAP, and IHSS – FMAP Increase

METHODOLOGY:

Item 101 and Item 153

- For the SRG program, the projected cases were calculated as if they were transferring to the new SRG program, utilizing the current federal share. These cases are then calculated under the new federal share that was increased by 6.2 percent. The costs of both the SRG program with the current federal share and the SRG program with the increased federal share are subtracted from one another, which results in the cost and savings attributable to the FMAP increase.
- For the AAP program, the federal share was increased by 6.2 percent. This increase was then split by the state and county shares, which resulted in a savings for both the state and the county.
- For the FC program, the federal share of foster care cash payments was increased by 6.2 percent. The additional federal funding resulted in corresponding savings for both the state and county shares of the foster care cash payments.

Item 111

- For the CY and the BY, the federal share of all federally-eligible cases that receive in-home support services will be increased by 11.594 percent. The increased FMAP for eligible IHSS cases will result in a savings for both the state and county shares.

FUNDING:

Item 101 and Item 153

SRG – The SRG program is paid with 50 percent federal funding, provided under Title IV-E of the Social Security Act, with the amount of FFP based on the FMAP rate of 50 percent. The balance of the SRG program is paid with 30 percent General Fund (GF) and 20 percent county funds.

FC – Federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the FMAP for those cases meeting eligibility criteria. The balance of the FC funding is paid with 20 percent GF and 30 percent county funds. The waiver counties' FC FMAP increase was computed utilizing the base plus two percent growth.

AAP – Federal funding is provided under Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of FFP based on an FMAP rate of 50 percent. The balance of the AAP program is paid with 75 percent GF and 25 percent county funds.

Item 111

IHSS – For PCSP/IPO services, the Title XIX FMAP rate is 61.594 percent for the CY and the BY. The nonfederal share of the PCSP/IPO is split 65 percent GF and 35 percent county.

American Recovery and Reinvestment Act of 2009 for Foster Care, AAP, and IHSS – FMAP Increase

CHANGE FROM THE APPROPRIATION:

FC – The increase is due to an increase in the federal costs in the FC program. There is no change for the Title IV-E waiver counties.

AAP – The loss of GF savings is due to a decrease in the federal costs in the AAP program.

IHSS - The change reflects increased program costs.

REASON FOR YEAR-TO-YEAR CHANGE:

AAP - The increase in savings from the CY to the BY is due to an increase in the projected caseload.

FC/IHSS – The decrease in savings from the CY to the BY is due to a decrease in the projected caseload.

SRG – This premise implements in the BY.

The increase for the Title IV-E waiver counties is due to the two percent growth to the waiver base.

EXPENDITURES:

(In 000's)

Subsidized Relative Guardianship – 101	2009-10	2010-11
Total	$0	$0
Federal	0	27
State	0	-16
County	0	-11
Reimbursements	0	0

Foster Care – 101	2009-10	2010-11
Total	$0	$0
Federal	29,132	27,697
State	-11,653	-11,079
County	-17,479	-16,618
Reimbursements	0	0

American Recovery and Reinvestment Act of 2009 for Foster Care, AAP, and IHSS – FMAP Increase

EXPENDITURES (CONTINUED):

(In 000's)

Adoption Assistance – 101	2009-10	2010-11
Total	$0	$0
Federal	42,353	44,920
State	-31,765	-33,690
County	-10,588	-11,230
Reimbursements	0	0

IHSS – 111	2009-10	2010-11
Total	$0	$0
Federal	0	0
State	-362,118	-99,678
County	-194,986	-53,672
Reimbursements	557,104	153,350

Title IV-E Waiver – 153	2009-10	2010-11
Total	$0	$0
Federal	21,857	22,294
State	-8,743	-8,918
County	-13,114	-13,376
Reimbursements	0	0

Residentially Based Services (AB 1453)

DESCRIPTION:

This premise provides up-front funding for residential foster care services for children/youth enrolled in the Residentially Based Services (RBS) Reform Project. Assembly Bill (AB) 1453 (Chapter 466, Statutes of 2007) authorized a five-year pilot demonstration project to test alternative RBS program and funding models which are cost neutral to the General Fund (GF). The results of the pilot projects are intended to guide the design of a statewide plan for RBS implementation that is to be provided to the Legislature by January 1, 2011.

The RBS Reform Project is designed to transform the state's current system of long-term, congregate, group home care into a system of RBS programs which provide short-term, intensive, residential treatment interventions along with community-based services and post-residential placement support and services to reconnect foster children/youth to their families and communities. The goal of RBS is to reduce lengths of stay in high-end group care and increase permanency for youth who would otherwise grow up in the foster care system. In order to achieve these goals, high cost, short-term, intensive services need to be front-loaded while the child/youth is residing in the RBS group home. By front-loading services it is anticipated that the children/youth enrolled in RBS will require shorter lengths of stay in the high-cost residential facilities and step down to lower levels of care more quickly, resulting in cost savings over the life of the child/youth's foster care stay and cost neutrality to the GF. The RBS Reform Project is also included as a primary strategy in the California Program Improvement Plan for sustaining and enhancing permanency efforts.

IMPLEMENTATION DATE:

This premise will implement on March 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Assembly Bill (AB) 1453 (Chapter 466, Statutes of 2007) and Welfare and Institutions Code section 18987.7.
- Up to four counties may participate in the pilot. Currently, three counties have submitted plans to participate in the pilot project. They are Los Angeles County (Waiver County), Sacramento County, and San Bernardino County. Each site has developed a unique RBS program design and funding model.
- This estimate reflects costs for only non-Title IV-E Waiver counties.
- Depending on the specific pilot program design, short-term intensive residential services will be needed for an average of 12 months or less, followed by lower cost placement in the community or placement into a permanent home.
- Without RBS, these youth would have remained in Rate Classification Level (RCL) 12-14 group homes. The rate for RCL level 12 is $5,302 and the rate for RCL level 14 is $6,025
- GF Savings associated with the Adoption Assistance Program (AAP) De-Link will be used to offset the costs of this premise. For additional information, see the AAP De-Link (P.L.110-351) Premise.

Residentially Based Services (AB 1453)

KEY DATA/ASSUMPTIONS (CONTINUED):

- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

San Bernardino County

- The San Bernardino County pilot will begin in March 2010 with a maximum capacity of 12 RBS beds.
- The federal Aid to Families with Dependent Children-Foster Care (AFDC-FC) allowable RBS rate is $7,852 and the Community Based Services (CBS) rates are as follows: Phase I - Intensive Treatment Foster Care, $4,028, Phase I - Foster Family Agency $1,678; Phase II Wraparound services $2,832.
- Approximately 77 percent of the foster youth are eligible for federal funding.
- It is assumed that the youth will spend approximately 12 months in the RBS setting and an additional 12 months in the CBS setting; six months in Phase I and an additional six months in Phase II.
- The average length of stay in a group home is 32 months.

Sacramento County

- The Sacramento County pilot will begin in June 2010 with a maximum capacity of 18 RBS beds.
- The AFDC-FC allowable RBS rate is $5,535 and the CBS rate is $4,331.
- Approximately 73 percent of the foster youth are eligible for federal funding.
- It is assumed that the youth will spend approximately 12 months in the RBS setting and an additional 12 months in the CBS setting.
- The average length of stay in a group home is 26 months.

METHODOLOGY:

To determine the cost of the project, caseloads for each pilot project are converted to case months in each setting which are multiplied by the RBS monthly rate and the CBS rate, respectively. These costs are compared with the costs that would otherwise have been incurred for the same child in the appropriate group home setting. The difference represents the cost of the project.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of federal financial participation based on the federal medical assistance percentage for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent GF and 60 percent county.

Residentially Based Services (AB 1453)

FUNDING (CONTINUED):

Title IV-E FMAP rate will temporarily increase by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the American Recovery and Reinvestment Act 2009 (ARRA) must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

There is a full year of costs and savings for both Sacramento and San Bernardino Counties.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	$72	-$38
Federal	25	-146
State	19	43
County	28	65
Reimbursements	0	0

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IV-E Eligibility for All AFDC-FC

DESCRIPTION:

This premise reflects the General Fund (GF) savings associated with making all Aid to Families with Dependent Children-Foster Care (AFDC-FC) children placed in foster care eligible for federal reimbursement including those children currently in the state foster care program. Pending federal law and regulation changes, eligibility for Title IV-E funded services would be de-linked from several existing requirements including: the 1996 AFDC standards for family income and resources, citizenship requirements and the requirement that the child must be living with the parent within six months of removal.

IMPLEMENTATION DATE:

This premise is expected to implement on June 1, 2010.

KEY DATA/ASSUMPTIONS:

- Pending federal legislation.
- Estimates based on current base estimates for Foster Family Homes, Foster Family Agencies, and Group Homes.
- It is assumed that all state only foster care eligible cases that currently do not receive the standard federal funding participation (FFP) rate will be eligible for FFP. This will result in a savings to the state and counties.
- The amount of FFP is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

The costs for non-federal cases by facility type are calculated using the non-federal FC sharing ratios. The costs for these cases are then calculated using Title IV-E eligible FFP FC sharing ratios. The difference between these costs results in a savings to the GF and county expenditures, with an increase in federal costs.

FUNDING:

Federal funding is provided for by Title IV-E of the Social Security Act, with the amount of FFP based on the FMAP for those cases meeting eligibility criteria. Funding for the nonfederal share of federal program costs is 40 percent GF and 60 percent county. Title IV-E FMAP rate will temporarily increase by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

IV-E Eligibility for All AFDC-FC

REASON FOR YEAR-TO-YEAR CHANGE:

The Current Year reflects one month of impact. The Budget Year increase reflects a full year impact.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	Grant	Grant
Total	$0	$0
Federal	18,659	217,221
State	-7,464	-86,889
County	-11,195	-130,332
Reimbursements	0	0

Redirecting County Savings

DESCRIPTION:

This premise redirects county savings associated with reductions to the In-Home Supportive Services (IHSS) program; the extension of the American Recovery and Reinvestment Act (ARRA) of 2009 for Foster Care (FC), Adoption Assistance Program (AAP) and IHSS; the 15.7 percent California Work Opportunity and Responsibility to Kids (CalWORKs) Maximum Aid Payment reduction and elimination of the recent CalWORKs non-citizen program to fund increased county costs associated with the realignment of state/county sharing ratios for the FC, AAP and Child Welfare Services (CWS) programs.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2010.
- Based on the new nonfederal sharing ratios for FC, non-Title IV-E Waiver counties' redirected savings totaling $56.1 million General Fund (GF) and Title IV-E Waiver counties' redirected savings totaling $37.1 million GF which represents a total of $93.2 million GF.
- Based on the new nonfederal sharing ratio for AAP, the 58 county redirected savings totaling $154.5 million GF.
- Based on the new nonfederal sharing ratios for CWS, non-Title IV-E Waiver counties' redirected savings total $198.7 million GF and Title IV-E Waiver counties' redirected savings total $59.1 million GF, which represents a total of $257.8 million GF.
- The grand total of the savings associated with realigning the county sharing ratios is $505.5 million GF.
- For additional information regarding the GF savings associated with reductions to IHSS, extension of ARRA for the FC/AAP and IHSS programs, and elimination or reduction of CalWORKs program components, see the respective premise descriptions.

METHODOLOGY:

For CWS, FC and AAP, GF savings are calculated by multiplying nonfederal costs by the new state/county sharing ratios. Identification of savings excludes premises where nonfederal costs are 100 percent state funded.

FUNDING:

- FC nonfederal costs will now be shared 25 percent GF and 75 percent county. The previous sharing ratio was 40 percent GF and 60 percent county.
- AAP nonfederal costs will now be shared 41 percent GF and 59 percent county. The previous sharing ratio was 75 percent GF and 25 percent county.
- CWS nonfederal costs will now be shared 30 percent GF and 70 percent county. The previous sharing ratio was 70 percent GF and 30 percent county.

Redirecting County Savings

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

Grand Total	2009-10 County Admin.	2010-11 County Admin.
Total	$0	$0
Federal	0	0
State	0	-505,462
County	0	505,462
Reimbursements	0	0

ITEM 101-FC	2009-10 County Admin.	2010-11 County Admin.
Total	$0	$0
Federal	0	0
State	0	-56,108
County	0	56,108
Reimbursements	0	0

ITEM 101-AAP	2009-10 County Admin.	2010-11 County Admin.
Total	$0	$0
Federal	0	0
State	0	-154,494
County	0	154,494
Reimbursements	0	0

Redirecting County Savings

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 151-CWS	2009-10 County Admin.	2010-11 County Admin.
Total	$0	$0
Federal	0	0
State	0	-198,718
County	0	198,718
Reimbursements	0	0

ITEM 153-FC	2009-10 County Admin.	2010-11 County Admin.
Total	$0	$0
Federal	0	0
State	0	-37,060
County	0	37,060
Reimbursements	0	0

ITEM 153-CWS	2009-10 County Admin.	2010-11 County Admin.
Total	$0	$0
Federal	0	0
State	0	-59,082
County	0	59,082
Reimbursements	0	0

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Adoption Assistance Program – Basic Costs

DESCRIPTION:

This premise reflects the basic cost of providing financial support to families adopting a child with special needs under the Adoption Assistance Program (AAP).

Children eligible for AAP benefits have one of the following characteristics that are barriers to adoption: mental, physical, medical or emotional handicap; ethnic background, race, color, or language; over three years of age; member of a sibling group to be adopted by one family; or adverse parental background (e.g., drug addiction, mental illness). To be eligible to receive federal benefits, the child shall have been otherwise eligible to receive aid under the federal Aid to Families with Dependent Children-Foster Care program. The amount of the AAP payment is based on the child's needs and the prospective family's circumstances, with eligibility reassessed every two years. Pursuant to Assembly Bill 390 (Chapter 547, Statutes of 2000), the statewide median income guideline shall not be used for negotiations between the prospective adoptive family and the adoption agency to determine the amount of payment to be received.

The AAP benefit shall not exceed the age-related, foster family home care rate for which the child would otherwise be eligible. The AAP payment may include the value of a specialized care increment that would have been paid on behalf of a child due to health and/or behavioral problems. Payments may continue until the child attains the age of 18, unless a mental or physical handicap warrants the continuation of assistance until the child reaches the age of 21.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16115 through 16123.
- Cases presumed to be eligible for the federal AAP make up 85.7 percent of the total AAP payment caseload, based on data through June 2009 as reported on the CA 800 claim forms.
- Caseload and expenditure data extracted from the CA 800 provide the basis for caseload and average grant projections.
- The federal and nonfederal average grants are $801.70 and $796.46, respectively, for Fiscal Year (FY) 2009-10 and $820.53 and $794.15, respectively, for FY 2010-11, based on a 12-month linear trend analysis.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

AAP basic costs are the product of projected federal and nonfederal casemonths and the respective average grant, as identified above.

Adoption Assistance Program – Basic Costs

FUNDING:

Federal funding is provided under Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of FFP based on the FMAP rate. Federal case costs ineligible for FFP and the costs of the nonfederal program are shared 75 percent General Fund and 25 percent county.

Title IV-E FMAP rate will temporarily increase by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM THE APPROPRIATION:

The Current Year change reflects an increase in the average grant, offset by a slight decrease in the average monthly caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase reflects a projected caseload increase and an increase to the federal average grant offset by a decrease to the nonfederal average grant.

CASELOAD:

	2009-10	2010-11
Average Monthly Caseload	83,906	87,769

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$806,461	$860,172
Federal	337,409	361,158
State	351,789	374,261
County	117,263	124,753
Reimbursements	0	0

Adoption Assistance Program – De-Link (P.L. 110-351)

DESCRIPTION:

This premise reflects the savings associated with shifting qualified non-federal Adoption Assistance Program (AAP) cases to Title IV-E eligible cases by de-linking the income requirements of the Aid for Dependent Children – Foster Care and Supplemental Security Income/State Supplementary Payment programs. This premise is a result of the federal Fostering Connections to Success and Increasing Adoptions Act of 2008 (Public Law (P.L.) 110-351). P.L. 110-351 was an omnibus child welfare bill designed to ensure greater permanency and improve the well-being of children served by public child welfare agencies.

Assembly Bill (AB) 154 (Chapter 222, Statutes of 2009), which conforms to P.L. 110-351, requires any savings from recent changes in eligibility for federal funding to support adoption assistance payments to be spent for the provision of foster care and adoption services.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: P.L. 110-351; Section 16120 of the Welfare and Institutions Code (W&IC).
- Sections 16118 and 16132 of the W&IC contain the requirement of the re-investment of savings as stated in AB 154.
- Caseload data based off of Calendar Year 2008 Foster Care (FC) exits to AAP.
- Current Year caseload equals an average monthly caseload of 68 qualified, non-federal cases. This includes cases that were in FC for more than five years, and/or are ages 16 and older. Budget Year (BY) caseload equals an average monthly caseload of 158 qualified, non-federal cases. This includes cases that were in FC for more than five years, and/or are ages 14 and older.
- The non-federal average grants are $796.46 for Fiscal Year (FY) 2009-10, and $794.15 for FY 2010-11, based on a 12-month linear trend analysis.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- General Fund savings associated with this premise will be used to offset the costs of the Residentially Based Services Reform Project premise. For additional information, see the Residentially Based Services (AB 1453) premise.

METHODOLOGY:

The costs for the qualified, non-federal cases are calculated by multiplying the casemonths by the non-federal, AAP sharing ratios. The costs for these cases are then calculated using federal, Title IV-E eligible, AAP sharing ratios. The difference between these costs results in a savings to General Fund (GF) and county expenditures, with a corresponding increase in federal costs.

Adoption Assistance Program – De-Link (P.L. 110-351)

FUNDING:

Federal funding is provided under Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of FFP based on the FMAP rate. Federal case costs ineligible for FFP and the costs of the nonfederal program are shared 75 percent GF and 25 percent county.

Title IV-E FMAP rate will temporarily increase by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects a projected caseload increase, due to allowing the 14 years and older age group to qualify for this premise, as well as reflects a full year of impact.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	Grant	Grant
Total	$0	$0
Federal	244	753
State	-183	-565
County	-61	-188
Reimbursements	0	0

AAP Reform – No Increase Based on Age

DESCRIPTION:

This premise reflects the savings associated with not increasing the grant amount for children in the Adoption Assistance Program (AAP) because of aging up into the next age category.

Children eligible for AAP benefits have one of the following characteristics that are barriers to adoption: mental, physical, medical or emotional handicap; ethnic background, race, color, or language; over three years of age; member of a sibling group to be adopted by one family; or adverse parental background (e.g., drug addiction, mental illness). To be eligible to receive federal benefits, the child shall have otherwise been eligible to receive aid under the federal Aid to Families with Dependent Children-Foster Care program. The amount of the AAP payment is based on the child's needs and the prospective family's circumstances, with eligibility reassessed every two years. Any increases to the grant due to the reassessment will be based on special circumstances tied to the child's needs.

The AAP benefit shall not exceed the age-related, foster family home care rate for which the child would otherwise be eligible. The AAP payment may include the value of a specialized care increment that would have been paid on behalf of a child due to health and/or behavioral problems. Payments may continue until the child attains the age of 18, unless a mental or physical handicap warrants the continuation of assistance until the child reaches the age of 21.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16121.
- Cases presumed to be eligible for the federal AAP make up 85.7 percent of the total AAP payment caseload, based on data through June 2009 as reported on the CA 800 claim forms.
- Based on Fiscal Year (FY) 2007-08 AAP total caseload, approximately 19,600 cases (24 percent of the total population) would receive a grant increase due to an increase in age.
- Based on the foster family home care rate schedule, the increases in the grant amount due to age are as follows: 0-4 years of age to 5-8, $39; 5-8 years of age to 9-11, $34; 9-11 years of age to 12-14, $55; 12-14 years of age to 15-19, $54.
- The federal and nonfederal average grants are $801.70 and $796.46, respectively, for FY 2009-10 and $820.53 and $794.15, respectively, for FY 2010-11, based on a 12-month linear trend analysis.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

AAP Reform – No Increase Based on Age

METHODOLOGY:

The number of cases in each age category that will age up into the next age category are multiplied by the corresponding grant increase. The result is the overall savings due to not granting this increase based on an increase in age.

FUNDING:

Federal funding is provided under Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of FFP based on the FMAP rate. Federal case costs ineligible for FFP and the costs of the nonfederal program are shared 75 percent General Fund and 25 percent county.

Title IV-E FMAP rate will temporarily increase by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM THE APPROPRIATION:

The Current Year change is due to updated caseload data, as well as the use of each grant increase amount tied to the corresponding age group.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase reflects a full year of savings.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	Grant	Grant
Total	-$1,589	-$11,352
Federal	-681	-4,867
State	-681	-4,864
County	-227	-1,621
Reimbursements	0	0

Refugee Cash Assistance – Basic Costs

DESCRIPTION:

This premise reflects the basic costs for the Refugee Cash Assistance (RCA) program. The RCA program provides cash grants to refugees during their first eight months in the United States (U.S.) if they are not otherwise eligible for other categorical welfare programs.

KEY DATA/ASSUMPTIONS:

- Section 1522 of Title VIII of the United States Code (U.S.C.) authorizes the federal government to provide grants to states to assist refugees who resettle in the U.S.

- Sections 13275 through 13282 of the Welfare and Institutions Code authorize the California Department of Social Services (CDSS) to administer the funds provided under Title VIII of the U.S.C. It also provides CDSS authority to allocate the federal funds to the counties.

- The average grant cost for RCA recipients is $307.23, which reflects actual expenditures through June 2009.

- The average monthly caseload for Fiscal Year (FY) 2009-10 and for FY 2010-11 is estimated at 3,000 cases.

METHODOLOGY:

The RCA average grant is multiplied by the estimated caseload to arrive at total RCA costs for each fiscal year.

FUNDING:

The program is 100 percent federally funded by the Cash, Medical and Administration Grant through the Office of Refugee Resettlement.

CHANGE FROM THE APPROPRIATION:

Program costs have increased due to a higher average monthly caseload and a higher average grant cost based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Refugee Cash Assistance – Basic Costs

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$11,060	$11,060
Federal	11,060	11,060
State	0	0
County	0	0
Reimbursements	0	0

Refugee Cash Assistance – Four Percent MAP Reduction

DESCRIPTION:

This premise reflects the savings associated with the implementation of a four percent Maximum Aid Payment (MAP) reduction to the California Work Opportunity and Responsibility to Kids (CalWORKs) program, whose grant amounts are mirrored in the Refugee Cash Assistance (RCA) program. The RCA program provides cash grants to refugees during their first eight months in the United States (U.S.) if they are not otherwise eligible for other categorical welfare programs.

IMPLEMENTATION DATE:

This premise was implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Section 1522 of Title VIII of the United States (U.S.) code authorizes the federal government to provide grants to states to assist refugees who resettle in the U.S.

- Sections 13275 through 13282 of the Welfare and Institutions Code authorize the California Department of Social Services (CDSS) to administer the funds provided under Title VIII of the U.S.C. It also provides CDSS authority to allocate the federal funds to the counties.

- The average grant cost for RCA recipients is $307.23, which reflects actual expenditures through June 2009. Applying the four percent MAP reduction will result in an average grant cost of $294.94.

- The average monthly caseload for Fiscal Year (FY) 2009-10 and FY 2010-11 is estimated at 3,000 cases.

METHODOLOGY:

The grant savings is calculated by multiplying the decrease in the average RCA grant by the impacted caseload.

FUNDING:

The program is 100 percent federally funded by the Cash, Medical and Administration Grant through the Office of Refugee Resettlement.

CHANGE FROM THE APPROPRIATION:

The increase in grant savings due to the 4 percent MAP reduction is the result of an increase in estimated RCA grant expenses.

Refugee Cash Assistance – Four Percent MAP Reduction

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	Grant	Grant
Total	-$442	-$442
Federal	-442	-442
State	0	0
County	0	0
Reimbursements	0	0

Refugee Cash Assistance – 15.7 Percent MAP Reduction

DESCRIPTION:

This premise reflects the savings associated with the implementation of a 15.7 percent Maximum Aid Payment (MAP) reduction to the California Work Opportunity and Responsibility to Kids (CalWORKs) program, whose grant amounts are mirrored in the Refugee Cash Assistance (RCA) program. The RCA program provides cash grants to refugees during their first eight months in the United States (U.S.) if they are not otherwise eligible for other categorical welfare programs.

IMPLEMENTATION DATE:

This premise assumes a March 1, 2010 enactment of legislation with a June 1, 2010 implementation date.

KEY DATA/ASSUMPTIONS:

- Section 1522 of Title VIII of the U.S. code authorizes the federal government to provide grants to states to assist refugees who resettle in the U.S.

- Sections 13275 through 13282 of the Welfare and Institutions Code authorizes the California Department of Social Services (CDSS) to administer the funds provided under Title VIII of the U.S. code. It also provides CDSS authority to allocate the federal funds to the counties.

- The average grant cost for RCA recipients is $294.94, which reflects actual expenditures through June 2009 adjusted for the four percent MAP reduction effective July 2009. Applying the 15.7 percent MAP reduction will result in an average grant cost of $248.63 per case per month.

- The average monthly caseload for Fiscal Year (FY) 2009-10 and FY 2010-11 is estimated at 3,000 cases.

METHODOLOGY:

The grant savings is calculated by multiplying the decrease in the average RCA grant by the impacted caseload.

FUNDING:

The program is 100 percent federally funded by the Cash, Medical and Administration Grant through the Office of Refugee Resettlement.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

Refugee Cash Assistance – 15.7 Percent MAP Reduction

REASON FOR YEAR-TO-YEAR CHANGE:

This premise reflects savings for one month of the Current Year and twelve months of the Budget Year.

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	-$139	-$1,667
Federal	-139	-1,667
State	0	0
County	0	0
Reimbursements	0	0

Emergency Food Assistance Program Fund

DESCRIPTION:

This premise reflects expenditures from contributions designated on state income tax returns for the Emergency Food Assistance Program (EFAP). Assembly Bill 2366 (Chapter 818, Statutes of 1998) established an EFAP fund which, upon appropriation by the Legislature, is allocated to the Franchise Tax Board (FTB) and State Controller's Office (SCO) for reimbursement for their costs associated with administering the fund. The balance of the fund is directed to the California Department of Social Services for allocation to EFAP.

As a result of Senate Bill 1101 (Chapter 203, Statutes of 2008) this Fund will be shown as the "Emergency Food for Families Fund" on future state income tax forms.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Revenue and Taxation Code Sections 18851 through 18855.
- Funds available in the Current Year (CY) include the actual amount of contributions made to the EFAP fund from June 2008 through May 2009 of $560,812, unexpended funds of $47,631 from prior years, and interest of $10,840.
- The Budget Year (BY) reflects the estimated amount of contributions to be made to the EFAP fund from June 2009 through May 2010 of $588,000, and estimated interest of $14,000.
- The estimated annual administrative costs for FTB and SCO are $6,186 in both the CY and the BY.
- These funds are provided to supplement, and not supplant, existing program funds.

METHODOLOGY:

The CY reflects the actual amount available for expenditure in Fiscal Year (FY) 2009-10. The BY reflects the estimated amount of contributions to the EFAP fund in the state income tax year, plus interest earned in the prior years, less the annual administrative costs for FTB and SCO.

FUNDING:

The costs are 100 percent from the EFAP fund.

CHANGE FROM THE APPROPRIATION:

The CY has been reduced to reflect the actual amount available for expenditure in FY 2009-10.

Emergency Food Assistance Program Fund

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects a decrease in the estimated taxpayer contributions and interest earnings and assumes that there will be no unspent funds carried forward from FY 2009-10.

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$613	$595
Federal	0	0
State	613	595
County	0	0
Reimbursements	0	0

Emergency Drought Assistance

DESCRIPTION:

The Emergency Drought Assistance (EDA) was designed to aid Fresno County with emergency food needs in the wake of California's drought disaster. In accordance with Executive Order S-11-09, the California Department of Social Services (CDSS) requested the amount of $8.1 million to be transferred from the Disaster Response – Emergency Operations Account (0375) to the General Fund item 5180-101-1001 in the Budget Act of 2009, to alleviate the current drought disaster in Fresno County. CDSS then allocated funds to the California Emergency Foodlink and local food banks for the purchase and distribution to individuals residing in Fresno County who were affected by the current drought crisis. The Emergency Food Assistance Program (EFAP) reimbursements were also included in the funds for the disaster food reserve that were used for the first two weeks of disaster assistance to Fresno County until state-funded commodities could be purchased, received, and distributed.

IMPLEMENTATION DATE:

This premise implemented on July 21, 2009.

KEY DATA/ASSUMPTIONS:

- The EFAP reserve was used to provide food for the first two weeks until funded commodities could be purchased, received, and distributed. ($1.1 million)
- Administrative funding was provided to the California Emergency Foodlink and the Fresno Food Bank for food storage and distribution. ($1.4 million)
- Based on the initial collaborative research efforts of the California Emergency Management Agency and CDSS, the drought disaster victims in Fresno County were estimated to be 28,500 individuals.
- It was assumed that the cost to provide for each of the 28,500 individuals was $197.68. ($5.6 million)
- The total cost plus reimbursement from the EFAP reserve was $8.1 million.

METHODOLOGY:

The total funding was calculated by including the total cost of replacement of EFAP reserve food, the cost to purchase food, and the cost for storage and distribution by the California Emergency Foodlink and the Fresno Food Bank.

FUNDING:

The Executive Order transferred $8,106,000 from the Disaster Response – Emergency Operations Account (0375) to CDSS General Fund Item 5180-101-0001, Budget Act of 2009, pursuant to the Governor's Emergency Proclamation issued on July 21, 2009.

Emergency Drought Assistance

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

Emergency Drought Assistance was only provided in Fiscal Year 2009-10.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	$8,106	$0
Federal	0	0
State	8,106	0
County	0	0
Reimbursements	0	0

California Food Assistance Program

DESCRIPTION:

This premise reflects the coupon and administrative costs associated with the California Food Assistance Program (CFAP) for eligible noncitizens. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, provided that legal noncitizens who entered the United States (U.S.) on or after August 22, 1996, were ineligible for federal food stamp benefits unless they were exempt under certain refugee categories. Federal food stamp benefits for the ineligible legal noncitizens were terminated in August 1997. CFAP serves legal noncitizens over 18 and under 65 years of age, who were legally in the U.S. prior to August 22, 1996, and met all federal food stamp eligibility criteria except for their immigration status and legal noncitizens that entered the country on or after August 22, 1996, and are otherwise eligible.

The Food Stamp Reauthorization Act of 2002 (H.R. 2646 Farm Bill) restored federal food stamp eligibility to legal noncitizens who are disabled, effective October 2002; noncitizens who have been in the U.S. for five years or more, effective April 2003; and all noncitizen children, effective October 2003.

Annual coupon costs are reduced by costs for Prospective Budgeting as these costs are reflected on a separate premise. Administrative costs are increased to reflect the impact of Simplification Options.

IMPLEMENTATION DATE:

This premise originally implemented on September 1, 1997.

The H.R. 2646 Farm Bill implemented on October 1, 2002.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18930.
- For Fiscal Year (FY) 2009-10 and FY 2010-11, CFAP costs are based on the following key data/assumptions:
- It is assumed that the trend in the total number of CFAP recipients resembles the monthly fluctuations in the California Work Opportunity and Responsibility to Kids (CalWORKs) and Non-Assistance Food Stamp (NAFS) trend forecasts.
- The total number of CFAP recipients is projected by applying the CalWORKs and NAFS trend forecast based on actual numbers of recipients through June 2009.
- The projected average monthly number of CFAP recipients is 32,278 for FY 2009-10 and 37,258 for FY 2010-11.
- The projected average monthly number of CFAP households is 12,617 for FY 2009-10 and 14,563 for FY 2010-11.
- The average coupon value per person is $112.01 for both FY 2009-10 and FY 2010-11. These coupon values account for the American Recovery and Reinvestment Act (ARRA) of 2009 benefit increase of 13.6 percent on April 1, 2009. The impact from the 13.6 percent benefit increase is removed from this premise and reflected in the ARRA – 13.6 Percent Benefit Increase premise.

California Food Assistance Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- The processing fee charged by the Food and Nutrition Service for Electronic Benefit Transfer is $314 per $1 million. The average monthly administrative cost per case is $25.01.
- The ratio between public assistance (PA) and nonassistance (NA) is 19.36 percent PA and 80.64 percent NA for FY 2009-10, and 18.18 percent PA and 81.82 percent NA for FY 2010-11.
- The PA costs are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The NA costs are not considered MOE eligible.

METHODOLOGY:

- The coupon costs are calculated by multiplying the average coupon value per person ($112.01 for both FY 2009-10 and FY 2010-11) by the projected average monthly number of recipients (32,278 for FY 2009-10 and 37,258 for FY 2010-11.) and then by the number of months.
- The coupon costs are increased by the processing fees that are added to the coupon total. The processing fee equates to $314 for every $1 million in coupon benefits.
- There is no new Standard Utility Allowance adjustment in the coupon costs estimate.
- Annual coupon costs include the costs that come from Prospective Budgeting. These costs are $1,310,170 in FY 2009-10 and $1,512,281 in FY 2010-11.
- Coupon costs are reduced by $5,900,890 in FY 2009-10 and $6,810,683 in FY 2010-11 to account for the 13.6 percent benefit increase from the ARRA. These coupon costs are included in the ARRA – 13.6 Percent Benefit Increase premise.
- Administrative costs are calculated by multiplying the average administrative cost per case ($25.01) by the projected monthly number of cases (12,617 for FY 2009-10 and 14,563 for FY 2010-11) and then by the number of months.
- The annual administrative costs will be reduced to account for the savings that comes from Prospective Budgeting. These administrative savings is $1,392,081 for FY 2009-10 and $1,606,826 for FY 2010-11.

FUNDING:

The expenditures are 100 percent General Fund. The PA portion of the costs is eligible to be counted towards the MOE requirement.

CHANGE FROM THE APPROPRIATION:

Both the Current Year and the Budget Year increases in costs are associated with a higher than expected caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects an increase in caseload.

California Food Assistance Program

CASELOAD:

	2009-10	2010-11
Average Monthly Number of Recipients	32,278	37,258

EXPENDITURES:

(in 000's)

	2009-10		2010-11	
	Coupon	County Admin.	Coupon	County Admin.
Total	$36,067	$3,787	$41,771	$4,371
Federal	0	0	0	0
State	36,067	3,787	41,771	4,371
County	0	0	0	0
Reimbursement	0	0	0	0

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Expanded Categorical Eligibility Food Stamp Program

DESCRIPTION:

As required under Assembly Bill (AB) 433 (Chapter 625, Statutes of 2008), this premise reflects the impact of a program of categorical eligibility for food stamps to improve nutrition and promote the development and retention of assets and resources for needy households who meet all other Food Stamp Program (FSP) eligibility requirements. This bill would extend categorical eligibility for the FSP to individuals and families, who are eligible to receive Temporary Assistance for Need Family (TANF)-funded benefits. AB 433 requires the categorical eligibility program to be established no later than July 1, 2009, and be available for new applicants of food stamps by January 1, 2010.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18901.5.
- This premise allows applicants who meet income-eligibility requirements but have resources that exceed the eligibility limits to become eligible for the FSP by providing a TANF-funded service to these households.
- A May 2007 Mathematica Policy Research study indicated that the 4.51 percent of families with children under 18 and 3.97 percent of single individuals who would have otherwise been eligible for the FSP were denied due to their assets.
- It is assumed that the overall caseload increase to include individuals and families with minors under 18 will phase in over six months beginning July 1, 2009, resulting in an average monthly caseload of 58,897 in the Fiscal Year (FY) 2009-10.
- Due to full implementation and projected caseload growth, the FSP caseload increase in FY 2010-11 will be 87,252.
- Based on Federal Fiscal Year (FFY) 2008 Food Stamp Characteristics Survey Data (Q5), and accounting for Cost of Living Adjustments, it is assumed that the average benefit for families with minors under the age of 18 is $345.78 and $146.34 for individuals. Included in this premise is the impact from the April 1, 2009 food stamp benefit increase of 13.6 percent from the American Reinvestment and Recovery Act (ARRA) of 2009.
- It is assumed that the intake cost for an Eligibility Worker (EW) to process a Non Assistance Food Stamp (NAFS) case is $51.00 per case.
- It is assumed that the cost for an EW to process NAFS continuing cases on a quarterly basis is $39.33 per case.
- It is assumed that 7.20 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost for an EW to process a mid-quarter report is $28.23.
- Based on historical experience it is assumed that California Food Assistance Program (CFAP) benefit and administration costs consist of approximately one percent of FSP costs.

Expanded Categorical Eligibility Food Stamp Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- The CFAP Public Assistance Food Stamps costs (approximately 19 percent) are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The CFAP NAFS costs (approximately 81 percent) are not considered MOE eligible.

METHODOLOGY:

- The average monthly increase in caseloads that will receive benefits in FY 2009-10 is 58,987, which equates to an increase of approximately $171.6 million in federally funded food stamp benefits in FY 2009-10.
- The increase in state funded CFAP benefits is one percent of this total, which equals $1.7 million in the FY 2009-10.
- Each new case must go through the intake process with a one-time cost of $51. This applies to the 58,987 new expected cases in the FY 2009-10 and to four percent of the caseload monthly to account for caseload movement, resulting in a cost of $4.7 million in the FY 2009-10.
- Assuming a phased in implementation results in quarterly administration costs of $7.3 million.
- Assuming a phased in implementation results in mid-quarter reporting costs of $1.3 million.
- Total Food Stamp admin associated with this premise is $13.3 million and is calculated as follows:
    - $1.3 million (mid-quarterly reporting cost) + $7.3 million (quarterly reporting costs) + $4.7 million (intake costs) = $13.3 million
- The increase in state funded CFAP administrative costs is one percent of this total, which equals $133,254.

FUNDING:

The CFAP administration and benefit costs are 100 percent General Fund (GF). FS administration costs are shared 50 percent federal and 50 percent GF. The GF portion of these costs, are funded with reimbursement funds from the Food Stamp Nutrition Education (FSNE)/California Nutrition Network pass through plan. Please see the "FSNE shift to the California Department of Social Services" premise for a more detailed description of this transfer.

The FS benefit costs are 100 percent federally funded.

CHANGE FROM THE APPROPRIATON:

The change is associated with caseload increase due to the inclusion of individuals.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is associated with full implementation and projected caseload growth.

Expanded Categorical Eligibility Food Stamp Program

EXPENDITURES:

(in 000's)

ITEM 101 – CFAP Grants	2009-10	2010-11
	Grant	Grant
Total	$1,716	$2,540
Federal	0	0
State	1,716	2,540
County	0	0
Reimbursements	0	0

ITEM 141 – Food Stamp Administration	2009-10	2010-11
	Admin.	Admin.
Total	$13,326	$17,990
Federal	6,663	8,995
State	6,663	8,995
County	0	0
Reimbursements	0	0

ITEM 141 – CFAP Administration	2009-10	2010-11
	Admin.	Admin.
Total	$133	$180
Federal	0	0
State	0	0
County	0	0
Reimbursements	133	180

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American Recovery and Reinvestment Act of 2009 13.6 Percent Benefit Increase

DESCRIPTION:

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

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

This premise reflects the increase in the Supplemental Nutrition Assistance Program (Food Stamp Program (FSP) in California) benefits provided in the ARRA. Effective April 1, 2009, individuals receiving benefits in the FSP and the California Food Assistance Program (CFAP) will receive a 13.6 percent benefit increase. The new benefit levels supersede other Cost-of-Living Adjustments (COLAs) until such time as the cumulative annual COLAs surpass the 13.6 percent level.

Federal food stamps are 100 percent federally funded and are not included in local assistance estimates. Therefore, the impact from the 13.6 percent benefit increase to federal food stamps is not included in this premise.

IMPLEMENTATION DATE:

This premise implemented on April 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: ARRA of 2009, Welfare and Institutions Code section 18930.
- Effective April 1, 2009, there is a 13.6 percent increase in CFAP benefits.
- The ARRA benefit increase supersedes the annual FSP/CFAP COLAs until total cumulative FSP COLAs surpass the 13.6 percent level.
- The average CFAP household benefit for May 2009 through July 2009 is $286.56 and includes the 13.6 percent ARRA.

METHODOLOGY:

The CFAP benefit impact is calculated by applying the increased benefit amount to CFAP Basic, CFAP Prospective Budgeting, CFAP Face-to-Face Waiver and CFAP Farm Bill of 2008 premises.

FUNDING:

FSP benefits are 100 percent federally funded. CFAP benefits are 100 percent General Fund.

American Recovery and Reinvestment Act of 2009
13.6 Percent Benefit Increase

CHANGE FROM THE APPROPRIATION:

The change is associated with an increase in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is associated with caseload growth projections.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	CFAP Coupon	CFAP Coupon
Total	$6,066	$6,907
Federal	0	0
State	6,066	6,907
County	0	0
Reimbursements	0	0

Transitional Food Stamps for Foster Youths (AB 719)

DESCRIPTION:

This premise reflects the implementation of Transitional Food Stamps for Foster Youth pursuant to the provisions of Assembly Bill (AB) 719 which was approved by the Governor on October 11, 2009. AB 719 will allow aging out Foster Care (FC) adolescents who are not receiving California Work Opportunity and Responsibility to Kids (CalWORKs) benefits and/or Supplemental Security Income (SSI) benefits to be eligible to receive Food Stamps (FS) without regard to income or resources. Those aging out adolescents will be exempt from reporting requirements during the 12-month certification period and will receive the maximum ($200) FS benefit amount for a household size of one.

IMPLEMENTATION DATE:

The legislative change goes into effect July 1, 2010, however, automation costs to implement the change are budgeted in Fiscal Year (FY) 2009-10.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code Section 18901.4
- The FC youth who will be impacted are those whom do not already receive FS benefits, CalWORKs, and/or are classified as students.
- According to the most recent statewide statistics, approximately 4,200 FC youth will age out of FC annually.
- Based on the Medi-Cal Eligibility Determination Services (MEDS) data, it is assumed that currently only 18.5 percent of FC youth that age out of FC will receive FS. The total equates to 777 aging out FC youth.
- Based on data provided by counties, it is assumed that 20 percent of FC youth who age out will be ineligible for FS based on their student status. The total equates to 840 aging out FC youth.
- Based on the Youth Aging Out of Foster Care Quarterly Statistical Report, it is assumed that 8.63 percent of aging out FC youth will be ineligible for FS due to SSI benefits. The total equates to 363 aging out FC youth.
- According to the 2009 Maximum Food Stamp Allotment Data, FC youth within the first year of leaving foster care, will receive a maximum monthly allotment of $200. This amount takes into consideration the April 1, 2009 FS benefit increase of 13.6 percent as indicated by the American Recovery and Reinvestment Act (ARRA) of 2009.
- As a result of AB 719, the total federal FS benefit increase to California is estimated to increase by $2.5 million.
- Based on the Calendar Year 2008 actual reported California Food Assistance Program (CFAP) and FS caseloads, the CFAP caseload/benefits consists of approximately one percent of the FS caseload/benefits.

Transitional Food Stamps for Foster Youths (AB 719)

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is assumed that the cost for an Eligibility Worker (EW) to process Non-Assistance Food Stamps (NAFS) and the CFAP cases is $51.00 per case.
- All cases are exempt from reporting requirements for the first 12 months.
- Projected automation costs to implement this change are $814,784 in the Current Year (CY) and $865,962 in the Budget Year (BY).

METHODOLOGY:

- The overall increase in the FS caseload is calculated using the following equation: (4,200 FC youth aging out – 777 FC youth who currently receive FS – 840 ineligible based on their student status – 363 who are ineligible due to SSI benefits = 2,200 cases)
- The monthly administrative costs associated with processing the new cases are calculated by multiplying the new monthly cases by $51.00.
- The CFAP coupon costs represent one percent of the FS caseload. For this premise the costs are reduced by the value of the 13.6 percent benefit increase from ARRA. These coupon costs are included in the ARRA – 13.6 Percent Benefit Increase premise.

FUNDING:

The FS sharing ratio for the administrative cost is 50 percent federal and 50 percent General Fund (GF). The CFAP funding is 100 percent GF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The impact to recipients becomes effective July 1, 2010.

Transitional Food Stamps for Foster Youths (AB 719)

EXPENDITURES:
(in 000's)

101 – CFAP Grants	2009-10	2010-11
Total	$0	$25
Federal	0	0
State	0	25
County	0	0
Reimbursements	0	0

141 – Food Stamp Administration	2009-10	2010-11
Total	$0	$57
Federal	0	0
State	0	57
County	0	0
Reimbursements	0	0

141 Automation	2009-10	2010-11
Total	$815	$866
Federal	408	418
State	407	448
County	0	0
Reimbursements	0	0

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SSI/SSP Grant Reductions – Food Stamp Effect

DESCRIPTION:

The Social Security Income (SSI)/State Supplementary Payment (SSP) program was created to provide cash assistance to low-income aged, blind, and disabled persons. The Cash Assistance Program for Immigrants (CAPI) reflects the costs associated with providing benefits to aged, blind, and disabled legal immigrants. In July 2009, these recipients experienced a 2.3 percent reduction in SSI/SSP and CAPI benefits. A further benefit reduction of 0.6 percent was taken in November. The loss of recipient eligibility leads to the assumption that a percentage of those SSI/SSP and CAPI recipients will then seek Food Stamp (FS) assistance. (Please review SSI/SSP premise for detailed information regarding the grant reductions.)

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- In July 2009, it is assumed that 11,718 recipients became ineligible for SSI/SSP. Based on information from the Medi-Cal Eligibility Determination Services (MEDS) data and the State Data Exchange (SDX) it is assumed that of the 11,718 recipients, 6.3 percent or 738 recipients will seek assistance in FS.
- In November 2009, it is assumed that an additional 8,677 recipients became ineligible for SSI/SSP. Of the 8,677 recipients, 6.3 percent or 547 recipients will seek assistance in FS.
- It is assumed that CAPI recipients represent one percent of the overall caseload. Based on the Cash Assistance Program for Immigrants Statistical Report, 86 CAPI recipients lost eligibility in July 2009 due to the 2.3 percent reduction. Of the 86 recipients, 6.3 percent or 5 recipients will seek assistance in CFAP.
- Based on the Cash Assistance Program for Immigrants Statistical Report, 89 CAPI recipients lost eligibility in November 2009. Of the 89 recipients, 6.3 percent or 6 recipients will seek CFAP.
- It is assumed that of the overall increase of individuals entering FS and CFAP will be 1,296 recipients.
- Based on Federal Fiscal Year (FFY) 2008 Q5 Data, households are estimated to have an average food stamp benefit amount of $332.80.
- It is assumed that the intake cost to process new NAFS and the CFAP is $51 for each new case.
- It is assumed that 7.20 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost to process a mid-quarter report is $28.23.
- It is assumed that the cost for continuing cases on a quarterly basis is $39.33 per case.

SSI/SSP Grant Reductions – Food Stamp Effect

METHODOLOGY:

- The monthly administrative costs associated with processing the new cases are calculated by multiplying the new monthly cases by $51. It is estimated that approximately 4 percent of the caseload will leave monthly, and 4 percent will enter monthly.
- The monthly administrative costs associated with processing the mid-quarter changes for the new cases are calculated by multiplying the new cumulative cases by 7.20 percent and by $28.23.
- The quarterly administrative costs associated with processing the quarterly reports are calculated by multiplying the new cumulative cases by $39.33 on a quarterly basis.

FUNDING:

The CFAP funding is 100 percent General Funds. The Food Stamp sharing ratio for the administrative cost is 50 percent federal and 50 percent General Fund.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

101 – CFAP Grants	2009-10	2010-11
Total	$1	$1
Federal	0	0
State	1	1
County	0	0
Reimbursements	0	0

141 – Food Stamp Administration	2009-10	2010-11
Total	$224	$266
Federal	111	132
State	113	134
County	0	0
Reimbursements	0	0

California Food Assistance Program - Elimination

DESCRIPTION:

This premise reflects savings associated with eliminating the California Food Assistance Program (CFAP). The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, provided that legal noncitizens who entered the United States (U.S.) on or after August 22, 1996, were ineligible for federal food stamp benefits unless they were exempt under certain refugee categories. CFAP provides food stamp benefits to legal noncitizens over 18 and under 65 years of age, who were legally in the U.S. prior to August 22, 1996, and met all federal food stamp eligibility criteria except for their immigration status, and legal noncitizens that entered the country on or after August 22, 1996, and are otherwise eligible.

Due to lower revenue projections and increased caseload driven costs, budget reductions are needed to balance the Fiscal Year (FY) 2009-10 and 2010-11 budget. This proposal is included as one of the reduction solutions.

IMPLEMENTATION DATE:

This premise assumes a March 1, 2010 enactment of Legislation and a June 1, 2010 effective date.

KEY DATA/ASSUMPTIONS:

- The CFAP elimination will require a change in state statute and emergency regulations.
- The projected number of CFAP recipients is 34,414 for June 2010.
- The projected average monthly number of CFAP recipients is 37,258 for FY 2010-11.
- The projected average monthly CFAP benefit per person for is $112.01 for June 2010 and for FY 2010-11.
- The ratio between public assistance (PA) and non-assistance (NA) is 19.36 percent PA and 80.64 percent NA for FY 2009-10, and 18.18 percent PA, 81.82 percent NA for FY 2010-11.
- The PA costs are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The NA costs are not considered MOE eligible.

METHODOLOGY:

The savings associated with CFAP Elimination total $3.76 million for June 2010 and $56.2 million in FY 2010-11.

FUNDING:

This program is funded 100 percent General Fund.

California Food Assistance Program - Elimination

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in June 2010.

EXPENDITURES:

(in 000's)

	2009-10		2010-11	
	Coupon	County Admin.	Coupon	County Admin.
Total	-$3,756	$0	-$53,191	-$2,975
Federal	0	0	0	0
State	-3,756	0	-53,191	-2,975
County	0	0	0	0
Reimbursement	0	0	0	0

SSI/SSP Reductions Effective June 2010 – Food Stamp Effect

DESCRIPTION:

This premise reflects the savings associated with reducing the State Supplementary Payment (SSP) standard of the Supplemental Security Income (SSI)/SSP program to the federally required Maintenance of Effort (MOE) level of the 1983 payment standards for individuals only. MOE refers to a federal provision that limits the reduction a state can make to their SSP benefit levels without penalty. If a state were to reduce its SSP benefit levels below MOE levels, it would lose federal funding for Medi-Cal. In June 2010, a grant reduction of $15 will cause a percentage of those recipients to lose benefit eligibility. The loss of recipient eligibility leads to the assumption that a percentage of those recipients will then seek Food Stamp (FS) assistance. (Please review SSI/SSP Individuals to MOE Floor premise for detailed information regarding the grant reductions.)

IMPLEMENTATION DATE:

This premise will implement on June 1, 2010.

KEY DATA/ASSUMPTIONS:

- Based on information from the Medi-Cal Eligibility Determination Services (MEDS) data and the State Data Exchange (SDX), it is assumed that 8,864 recipients will lose SSI/SSP benefits in June 2010. Of the 8,864 recipients, 6.6 percent or 585 recipients will then seek assistance in FS.
- It is assumed that the intake cost to process new Non-Assistance Food Stamps (NAFS) cases is $51.
- It is assumed that 7.2 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost to process a mid-quarter report is $28.23.
- It is assumed that the cost for continuing cases on a quarterly basis is $39.33 per case.

MEHODOLOGY:

- The monthly administrative costs associated with processing the new cases are calculated by multiplying the new monthly cases by $51. It is estimated that approximately 4 percent of the caseload will leave monthly, and 4 percent will enter monthly.
- The monthly administrative costs associated with processing the mid-quarter changes for the new cases are calculated by multiplying the new cumulative cases by 7.20 percent and by $28.23.
- The quarterly administrative costs associated with processing the quarterly reports are calculated by multiplying the new cumulative cases by $39.33 on a quarterly basis.

SSI/SSP Reductions Effective June 2010 – Food Stamp Effect

FUNDING:

The Food Stamp sharing ratio for the administrative cost is 50 percent federal funds, 35 percent General fund, and 15 percent county funds.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

141 – Food Stamp Administration	2009-10	2010-11
Total	$30	$121
Federal	15	61
State	10	42
County	5	18
Reimbursements	0	0

Undocumented Citizens (SB 1569)

DESCRIPTION:

This premise represents the costs associated with extending social services and benefits to noncitizen victims of human trafficking, domestic violence, and other serious crimes. Pursuant to provisions contained in Senate Bill (SB) 1569 (Chapter 672, Statutes of 2006), these individuals are eligible for services and benefits to the same extent as persons who are eligible under the federal Refugee Act of 1980, including, but not limited to, refugee cash assistance, refugee medical assistance, employment social services, and Healthy Families Program benefits.
SB 1569 requires victims of human trafficking to file for a T visa with the appropriate federal agency, to prepare to file an application for federal status, or to show evidence that they are taking steps to meet the conditions for federal benefits eligibility to qualify for state public social services. Victims of domestic violence and other serious crimes must file a formal application for a U visa with the appropriate federal agency to qualify. In order to remain eligible for benefits and services, victims of trafficking must show evidence that they have applied for the T visa within one year from the date of application for state public social services.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18945.
- Based on an annual report from the federal Attorney General's Office entitled "US Government Activities to Combat Trafficking in Persons" (updated June 2007) to the United States Congress, an estimated 17,500 undocumented trafficking victims are in the United States.
- Based on a published news article by the San Diego Tribune, the federal government has received 3,011 U visa applications over a four-year period (2001 to 2005).
- Based on a publication by the Census Bureau published in 2000, an estimated 32 percent of undocumented citizens are in California. Assuming 50 percent of these undocumented citizens apply for a visa, approximately 3,200 people will be eligible for services and benefits.
- Based on historical data trends on social services,435 persons will be eligible for California Work Opportunity and Responsibility to Kids (CalWORKs), and 421 persons for other services.

CalWORKs

- It is assumed that recipients who apply for U visas are adults who are added to existing CalWORKs cases. These cases receive additional CalWORKs benefits and services associated with adding one person to the existing Assistance Unit (AU). Recipients who apply for T visas are more likely to be single and would not be eligible for CalWORKs.
- Recipients are required to apply for a U visa to become eligible for CalWORKs. Until the U visa application is approved or denied, these recipients can continue to receive CalWORKs benefits and services.

Undocumented Citizens (SB 1569)

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimated CalWORKs cases under SB 1569 are 435.
- The cost of adding an adult to an existing AU is $139 per case.
- It is assumed these recipients are not legally able to work to receive earned income to offset the monthly grant.
- The provisions of SB 1569 state these recipients are subject to the same welfare-to-work (WtW) requirements and exemptions as other participants, provided that compliance with these requirements is authorized by law. The county will assist these recipients to engage in work activities once these recipients achieve legal residency.
- For the CY and the BY, it is assumed that there are 1.9 children per case and that 30.31 percent of the cases that are required to participate in WtW activities utilize child care services.
- The child care cost per case is $775.94 in the CY and $795.84 in the BY.
- For the CY and the BY, the average number of children who will receive services is 251.

CFAP:

- This premise assumes an October 1, 2009 elimination of the California Food Assistance Program (CFAP).
- The average monthly number of CFAP recipients is 350 in the CY and 421 in the BY from July 2009 through September 2009. This includes unduplicated persons estimated to receive benefits for CalWORKs, CAPI, and RCA.
- The average coupon value per person is $112.01 for the CY and the BY. These coupon values account for the American Recovery and Reinvestment Act (ARRA) of 2009 benefit increase of 13.6 percent on April 1, 2009.
- Approximately $15,000 in FY 2008-09 and $20,000 in FY 2009-10 is removed from total CFAP grants and reflected in the ARRA – 13.6 Percent Benefit Increase premise.
- An estimated 7.2 percent of the new cumulative caseload will be subject to mid-quarter reporting.
- The administrative costs include one-time intake cost of $51.00 for new cases, ongoing costs of $13.11 per case per month, and mid-quarter costs of $28.23 per case per month.

METHODOLOGY:

CalWORKs

- The grant cost is calculated by multiplying the average monthly number of cases by the cost per case.
- The employment services costs include case management, transportation, and ancillary costs. The average monthly number of cases for the CY and the BY is 435, which is

Undocumented Citizens (SB 1569)

METHODOLOGY (CONTINUED):

multiplied by the utilization rate for each service and the corresponding cost per case. The utilization rates and cost per case are as follows: Case management (41.2 percent; $206), transportation (54.62 percent; $73), and ancillary (12.04 percent; $84).

- The employment services costs are calculated by multiplying the average monthly number of cases utilizing the service by the cost per case.
- The one-time administrative cost associated with adding the adult to the existing CalWORKs case is calculated by multiplying the average monthly number of new adults by the cost per case.
- The child care costs are calculated by multiplying the average monthly number of children by the cost per child.

CFAP:

- The coupon costs are calculated by multiplying the average monthly coupon benefit per person by the projected monthly number of CFAP recipients.
- The one-time intake administrative costs are calculated by multiplying the average monthly number of new RCA and CAPI cases by the cost per case.
- The on-going quarterly administrative costs are calculated by multiplying the average monthly number of cases by the average monthly cost per case. The ongoing mid-quarter administrative costs are calculated by multiplying the average monthly number of cases by the percentage of cases subject to mid-quarter reporting, and then multiplied by the cost per case.

FUNDING:

CalWORKs grants are funded with 97.5 percent General Fund (GF) and 2.5 percent county.

CalWORKs employment services, administrative services, child care, and CFAP are funded with 100 percent GF.

Under Title 45 of the Code of Federal Regulations section 263.2(b), these cases are not Maintenance of Effort eligible.

CHANGE FROM THE APROPRIATION:

The net total cost was held to the Appropriation. An adjustment was made between line items (grants and services) to reflect the most recent data available.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in grant costs is due to a full year of completed phase in for the CFAP cases. The decrease in services is due lower utilization and cost per case for child care services.

Undocumented Citizens (SB 1569)

EXPENDITURES:

(in 000's)

ITEM 101 - Grand Total	2009-10	2010-11
Total	$4,685	$4,748
Federal	0	0
State	4,667	4,730
County	18	18
Reimbursements	0	0

ITEM 101 - Grants	2009-10	2010-11
Total	$1,417	$1,518
Federal	0	0
State	1,399	1,500
County	18	18
Reimbursements	0	0

ITEM 151 - Services	2009-10	2010-11
Total	$3,192	$3,154
Federal	0	0
State	3,192	3,154
County	0	0
Reimbursements	0	0

ITEM 151 - Administration	2009-10	2010-11
Total	$76	$76
Federal	0	0
State	76	76
County	0	0
Reimbursements	0	0

SSI/SSP – Basic Costs

DESCRIPTION:

This premise reflects the basic costs for the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program. The SSI program, authorized by Title XVI of the Social Security Act, replaced the prior federal/state matching grant program of adult assistance to the aged, blind, and disabled in January 1974. The SSI/SSP program is a cash assistance program for low-income aged, blind, and disabled persons. California opted to supplement the SSI payments, creating the SSP program. The Social Security Administration (SSA) administers the SSI/SSP program at California's option.

The maximum amount of aid is dependent on the following factors:

- Whether one is aged, blind, or disabled;
- The living arrangement;
- Marital status; and,
- Minor status.

As a result of the various factors determining the maximum amount of aid, there are 19 different payment standards in the SSI/SSP program.

KEY DATA/ASSUMPTIONS:

- The SSA will continue to administer the program under Title XVI of the Social Security Act.
- Section 1611 of Title XVI defines the amount of SSI benefits an individual may be eligible to receive.
- Section 12200 of the Welfare and Institutions Code defines the maximum payment standard available under each living arrangement.
- SSI/SSP caseload is decreased to reflect the recipients who become ineligible for SSI/SSP due to various grant reductions. These grant reductions include the withholding of the pass-through of the 2009 federal cost of living adjustment (COLA), effective May 1, 2009; the 2.3 percent SSI/SSP grant reduction, effective July 1, 2009; and the 0.6 percent SSP grant reduction for individuals and SSI/SSP couples to the federal maintenance of effort floor, both effective November 1, 2009.
- The basic costs per case for SSI and SSP estimates are developed from actual state and federal expenditures reported on the State Data Exchange (SDX) and SSA 8700 reports. The SSI and SSP average grants are based on actual data from July 2008 to June 2009 and are as follows:

	SSI	SSP
Aged	$319.38	$227.63
Blind	403.25	283.58
Disabled	440.85	226.18

SSI/SSP – Basic Costs

METHODOLOGY:

The SSI/SSP basic costs are computed for each aged, blind, and disabled component, then summed to produce total basic costs. Both the SSI and SSP basic average grants were adjusted to exclude the effects of payments to recipients residing in medical facilities. The adjusted average grants were multiplied by the estimated caseloads to arrive at an adjusted basic cost. Estimated expenditures for recipients in medical facilities were then added to total basic costs.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds, and the SSP portion is funded with 100 percent General Fund. Costs for each component are computed separately.

CHANGE FROM THE APPROPRIATION:

The Current Year total costs have increased due to the impact of the January 2009 federal COLA, which is now contained in the SSI average grant amounts, offset by a decrease in projected caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase is due to an increase in the projected caseload.

CASELOAD:

	2009-10	2010-11
Average Monthly Persons	1,251,326	1,270,974

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	Grant	Grant
Total	$9,391,921	$9,544,299
Federal	6,013,507	6,112,714
State	3,378,414	3,431,585
County	0	0
Reimbursements	0	0

Withhold Pass-Through of the January 2009 Federal COLA

DESCRIPTION:

This premise reflects the savings resulting from a one-time withholding of the pass-through of the federal Supplemental Security Income (SSI) cost-of-living adjustment (COLA) beginning May 2009. The January 2009 federal COLA took effect on January 1, 2009, and increased the SSI for a typical, independent SSI/State Supplementary Payment (SSP) recipient by $37 per month. Effective May 1, 2009, the SSP portion of the SSI/SSP grant will be reduced by the increase in the federal SSI portion. Withholding the pass-through of the federal COLA will revert the SSI/SSP payment standards back to December 2008 levels. Cash Assistance Program for Immigrants (CAPI) recipients and California Veterans Cash Benefit (CVCB) recipients will also be affected because their benefits are linked to the SSI/SSP rates. The impacts to CAPI and CVCB recipients are reflected in their respective premises.

IMPLEMENTATION DATE:

This premise implemented on May 1, 2009.

KEY DATA/ASSUMPTIONS:

- Section 1617 of Title XVI of the Social Security Act authorizes the COLA for SSI recipients.
- Section 12201 of the Welfare and Institutions Code authorizes the COLA for SSP recipients.
- The federal COLA, based on the Consumer Price Index (CPI), is 5.8 percent for 2009, and was withheld on May 1, 2009.
- Withholding the pass-through of the 2009 federal COLA does not reduce the SSI portion of the SSI/SSP grant. The state can only reduce the SSP portion of the SSI/SSP grant, but not below the federally required Maintenance of Effort (MOE) level of the 1983 payment standards. The reduction in SSP grant equals the value of the increase of the SSI grant.
- Non-Medical Out-of-Home Care, Restaurant Meal Allowance, and Title XIX Medical Facilities recipients are excluded from this reduction.

METHODOLOGY:

- The SSI average grants for the three categories (aged, blind, and disabled) change as a result of the 2009 federal COLA.
- The CPI percentage is applied to the 2008 SSI payment standards and the result is the new SSI payment standards for 2009.
- The new payment standards are put into a statistical model to determine the value of the 2009 federal COLA for each of the three categories. The value of the 2009 federal COLA is added to each category's average SSI grant and the result is the increased average SSI grant for each category. These increased grants are multiplied by the caseload and the result is the increased costs to the SSI/SSP program.

Withhold Pass-Through of the January 2009 Federal COLA

METHODOLOGY (CONTINUED):

- The average SSP grants for the three categories decrease as a result of withholding the pass-through of the 2009 federal COLA. The value of the 2009 federal COLA is subtracted from each category's average SSP grant and the result is the decreased average SSP grant for each category. These decreased grants are multiplied by the caseload and the result is the decreased costs to the SSI/SSP program.

FUNDING:

The SSP portion of the SSI/SSP program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The decrease in the Current Year is due to a lower caseload projection.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year change is due to an increase in the projected caseload.

EXPENDITURES:

(in 000's)	2009-10	2010-11
Total	-$348,333	-$354,647
Federal	0	0
State	-348,333	-354,647
County	0	0
Reimbursements	0	0

Reduce SSI/SSP Grants by 2.3 Percent

DESCRIPTION:

This premise reflects the savings associated with reducing the Supplemental Security Income /State Supplementary Payment (SSI/SSP) grant amounts by 2.3 percent. The impact of this reduction applies only to the SSP portion of the payment.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- The Social Security Administration will continue to administer the program under Title XVI of the Social Security Act.
- Section 1611 of Title XVI defines the amount of SSI benefits an individual may be eligible to receive.
- The savings associated with reducing SSI/SSP grant amounts for Cash Assistance Program for Immigrants recipients and California Veterans Cash Benefit recipients are reflected in their corresponding premises.
- Non-Medical Out-of-Home Care, Restaurant Meal Allowance, and Title XIX Medical Facilities recipients are excluded from this reduction.
- This premise takes into account the withholding of the pass-through of the 2009 federal cost of living adjustment (COLA), effective May 1, 2009.

METHODOLOGY:

- The reduced SSP grant amounts are calculated by using a statistical model which determines the change to the basic SSI/SSP average grant due to the 2.3 percent reduction. The reduced average grant amounts are multiplied by the caseload to determine the reduced costs to the SSI/SSP program.
- The SSP payment standards were decreased as a result of reducing the SSI/SSP grant by 2.3 percent. The reduced SSP grants are subtracted from the current law SSP grant amounts.

FUNDING:

The SSP portion of the SSI/SSP program is funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The increase in savings in the Current Year is due to updated caseload projections.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase of savings in the Budget Year is due to an increase in the projected caseload.

Reduce SSI/SSP Grants by 2.3 Percent

EXPENDITURES:

(In 000's)

	2009-10 Grant	2010-11 Grant
Total	-$230,814	-$234,839
Federal	0	0
State	-230,814	-234,839
County	0	0
Reimbursements	0	0

Reduce SSI/SSP for Couples to MOE Floor

DESCRIPTION:

This premise reflects the savings associated with reducing the State Supplementary Payment (SSP) standard of the Supplemental Security Income (SSI)/SSP program to the federally required Maintenance of Effort (MOE) level of the 1983 payment standards for couples only. MOE refers to a federal provision that limits the reduction a state can make to their SSP benefit levels without penalty. If a state were to reduce its SSP benefit levels below MOE levels, it would lose federal funding for Medi-Cal. SSI/SSP eligibility also establishes automatic eligibility for Medi-Cal.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- The Social Security Administration will continue to administer the program under Title XVI of the Social Security Act.
- Section 1611 of Title XVI defines the amount of SSI benefits an individual may be eligible to receive.
- Section 12200 of the Welfare and Institutions Code defines the maximum payment standard available under each living arrangement.
- Section 416.096 of Title XX of the Code of Federal Regulations defines the loss of federal funding for Medi-Cal if a state reduces SSP payments below MOE levels.
- The savings associated with reducing SSP grant amounts for Cash Assistance Program for Immigrants (CAPI) recipients are reflected in the CAPI premise.
- Non-Medical Out-of-Home Care, Restaurant Meal Allowance, and Title XIX Medical Facilities recipients are excluded from this reduction.

METHODOLOGY:

- The reduced grant amounts are calculated by using a statistical model to determine a change to the basic SSI/SSP average grant due to the SSP MOE floor reduction for couples only. The reduced average grant amounts are multiplied by the caseload to determine the reduced costs to the SSI/SSP program.
- The SSP payment standards were decreased as a result of reducing the SSI/SSP grant to the MOE floor for couples only. The reduced SSP grants are subtracted from the July 2009 SSP grant amounts.

FUNDING:

The SSP portion of the SSI/SSP program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The Current Year loss of savings is due to a one month delay in implementation.

Reduce SSI/SSP for Couples to MOE Floor

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects a full year of savings.

EXPENDITURES:

(In 000's)

	2009-10 Grant	2010-11 Grant
Total	-$60,688	-$92,361
Federal	0	0
State	-60,688	-92,361
County	0	0
Reimbursements	0	0

Reduce SSI/SSP for Individuals to MOE Floor

DESCRIPTION:

This premise reflects the savings associated with reducing the State Supplementary Payment (SSP) standard of the Supplemental Security Income (SSI)/SSP program to the federally required Maintenance of Effort (MOE) level of the 1983 payment standards for individuals only. MOE refers to a federal provision that limits the reduction a state can make to their SSP benefit levels without penalty. If a state were to reduce its SSP benefit levels below MOE levels, it would lose federal funding for Medi-Cal. SSI/SSP eligibility also establishes automatic eligibility for Medi-Cal.

IMPLEMENTATION DATE:

This premise assumes a March 1, 2010 enactment of legislation with a June 1, 2010 implementation date.

KEY DATA/ASSUMPTIONS:

- The federal Social Security Administration will continue to administer the program under Title XVI of the Social Security Act.
- Section 1611 of Title XVI defines the amount of SSI benefits an individual may be eligible to receive.
- Section 12200 of the Welfare and Institutions Code defines the maximum payment standard available under each living arrangement.
- Section 416.096 of Title XX of the Code of Federal Regulations defines the loss of federal funding for Medi-Cal if a state reduces SSP payments below MOE levels.
- The savings associated with reducing SSP grant amounts for Cash Assistance Program for Immigrants and California Veterans Cash Benefit recipients are reflected in this premise.
- Non-Medical Out-of-Home Care, Restaurant Meal Allowance, and Title XIX Medical Facilities recipients are excluded from this reduction.

METHODOLOGY:

- The reduced grant amounts are calculated by using a statistical model to determine a change to the basic SSI/SSP average grant due to the SSP MOE floor reduction for individuals only. The reduced average grant amounts are multiplied by the caseload to determine the reduced costs to the SSI/SSP program.
- The SSP payment standards were decreased as a result of reducing the SSI/SSP grant to the MOE floor for individuals only. The reduced SSP grants are subtracted from the July 2009 SSP grant amounts.

FUNDING:

The SSP portion of the SSI/SSP program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

Reduce SSI/SSP for Individuals to MOE Floor

REASON FOR YEAR-TO-YEAR CHANGE:

The Current Year reflects one month of savings, the Budget Year reflects a full year of savings.

EXPENDITURES:

(In 000's)

	2009-10 Grant	2010-11 Grant
Total	-$13,672	-$177,859
Federal	0	0
State	-13,672	-177,859
County	0	0
Reimbursements	0	0

Reduce SSP Grants by 0.6 Percent for Individuals Only

DESCRIPTION:

This premise reflects the savings associated with reducing the Supplemental Security Income (SSI)/State Supplementary Payment (SSP) grant amounts by 0.6 percent for individuals only.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- The Social Security Administration will continue to administer the program under Title XVI of the Social Security Act.
- Section 1611 of Title XVI defines the amount of SSI benefits an individual may be eligible to receive.
- The savings associated with reducing SSI/SSP grant amounts for Cash Assistance Program for Immigrants recipients and California Veterans Cash Benefit recipients are reflected in their corresponding premises.
- Non-Medical Out-of-Home Care, Restaurant Meal Allowance, and Title XIX Medical Facilities recipients are excluded from this reduction.
- This premise takes into account the withholding of the pass-through of the 2009 federal cost of living adjustment (COLA), effective May 1, 2009, and the 2.3 percent grant reduction, effective July 1, 2009.

METHODOLOGY:

- The reduced grant amounts are calculated by using a statistical model which determines the change to the basic SSI/SSP average grant due to the 0.6 percent reduction for individuals only. The reduced average grant amounts are multiplied by the caseload to determine the reduced costs to the SSI/SSP program.
- The SSP payment standards were decreased as a result of reducing the SSI/SSP grant by 0.6 percent for individuals only. The reduced SSP grants are subtracted from the current law SSP grant amounts.

FUNDING:

The SSP portion of the SSI/SSP program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The Current Year decrease in savings is due to a one month delay in implementation.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects a full year of savings.

Reduce SSP Grants by 0.6 Percent for Individuals Only

EXPENDITURES:

(In 000's)

	2009-10 Grant	2010-11 Grant
Total	-$30,744	-$46,880
Federal	0	0
State	-30,744	-46,880
County	0	0
Reimbursements	0	0

SSI/SSP – 2010 Federal COLA

DESCRIPTION:

This premise reflects the impact of the cost-of-living adjustment (COLA) given to Supplemental Security Income/State Supplementary Payment (SSI/SSP) program recipients in 2010. The estimated -2.1 percent Consumer Price Index (CPI) for 2010 eliminates the pass through of an SSI COLA to recipients. As a result, the SSI portion of the grant payment will not increase but, instead, will remain at the January 2009 level.

IMPLEMENTATION DATE:

The CPI COLA will implement on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Section 1617 of Title XVI of the Social Security Act authorizes the COLA for SSI recipients.
- Since the CPI is estimated at -2.1 percent for 2010, there will be no COLA to be passed through to recipients on January 1, 2010, pursuant to current law.

METHODOLOGY:

- The SSI average grants will not change as a result of the 2010 COLA. The 2010 SSI payment standards will remain at the January 2009 level.
- The maximum monthly payment for an aged or disabled SSI/SSP individual living independently with no other income will not change as a result of the 2010 COLA.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(In 000's):

	2009-10 Grant	2010-11 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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SSI/SSP – 2010 State COLA

DESCRIPTION:

This premise reflects the suspension of the cost-of-living adjustment (COLA) given to Supplemental Security Income/State Supplementary Payment (SSI/SSP) program recipients in 2010 as a cost avoidance measure. The state COLA is based on the California Necessities Index (CNI) of 1.53 percent. Assembly Bill X4 8 (Chapter 8, Statutes of 2009, Fourth Extraordinary Session) authorizes the suspension of the 2010 State COLA, and all prospective state COLA's, indefinitely.

IMPLEMENTATION DATE:

As a result of ABX4 8, the June 1, 2010, implementation of the CNI COLA will not take effect.

KEY DATA/ASSUMPTIONS:

- Section 12201 of the Welfare and Institutions Code authorizes the COLA for SSP recipients.
- ABX4 8 authorizes the suspension of this COLA.
- The estimated state COLA is based on the CNI. For 2010, the CNI is 1.53 percent and will be suspended on June 1, 2010.
- On June 1, 2010, an SSI/SSP recipient's grant amount will not change from the payment levels in effect on May 31, 2010.

METHODOLOGY:

By suspending the 2010 state COLA, the SSP portion of the SSI/SSP grant will not change.

FUNDING:

The SSP portion is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

SSI/SSP – 2010 State COLA

EXPENDITURES:

(In 000's):

	2009-10 Grant	2010-11 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

SSI/SSP – 2011 Federal COLA

DESCRIPTION:

This premise reflects the impact of the cost-of-living adjustment (COLA) given to Supplemental Security Income/State Supplementary Payment (SSI/SSP) program recipients in 2011. The estimated SSI Consumer Price Index (CPI) COLA of 2.0 percent will be passed through to recipients resulting in an increase in the SSI portion of the January 1, 2011 grant payment.

IMPLEMENTATION DATE:

The CPI COLA will implement on January 1, 2011.

KEY DATA/ASSUMPTIONS:

- Section 1617 of Title XVI of the Social Security Act authorizes the COLA for SSI recipients.
- The CPI is estimated at 2.0 percent for 2011, and will be passed through to recipients on January 1, 2011 pursuant to current law.

METHODOLOGY:

- The SSI average grants for the three categories (aged, blind, and disabled) change as a result of the 2011 federal COLA.
- The CPI percentage is applied to the 2010 SSI payment standards and the result is the new SSI payment standards for 2011.
- The new payment standards are put into a statistical model to determine the value of the 2011 federal COLA for each of the three categories. The value of the 2011 federal COLA is added to each category's average SSI grant and the result is the increased average SSI grant for each category. These increased grants are multiplied by the caseload and the result is the increased costs to the SSI/SSP program.
- The impact to the Cash Assistance Program for Immigrants (CAPI) is included under the CAPI premise.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise takes effect in the Budget Year only.

SSI/SSP – 2011 Federal COLA

EXPENDITURES:

(In 000's):

	2009-10 Grant	2010-11 Grant
Total	$0	$67,668
Federal	0	67,668
State	0	0
County	0	0
Reimbursements	0	0

SSI/SSP – SSP Administration

DESCRIPTION:

The Social Security Administration (SSA) formerly administered the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program benefit payments without charge to the states. The Omnibus Budget Reconciliation Act of 1993 shifted costs for administration of SSP to the state, effective October 1, 1993. It also provided for additional service fees to be charged if SSA provides services beyond the expected level, such as payment standard reductions or increases made outside of the normal January 1 schedule.

IMPLEMENTATION DATE:

This premise was implemented on October 1, 1993.

KEY DATA/ASSUMPTIONS:

- The SSA will continue to administer this program under Title XVI of the Social Security Act.
- The federal Balanced Budget Act of 1997 (Public Law 105-33) amended existing federal statutes pertaining to administration fees for SSP payments. For each Federal Fiscal Year (FFY) from 1998 through 2002, administration fees increased from an initial $5.00 per payment to $8.50 per payment in FFY 2002. Increases after FFY 2002 are based on the Consumer Price Index (CPI).
- Effective October 1, 2009, the fee is projected to stay at the 2008 level, $10.45, due to a projected negative CPI percentage. Effective October 1, 2010, the fee will increase from $10.45 to $10.67, based on the increase in the CPI from June of the Budget Year compared to June of the Current Year.
- Administrative costs associated with the California Veterans Cash Benefit program are included in this premise.

METHODOLOGY:

The projected number of payments is based on the projected caseload plus the six-month moving average of the difference between the actual caseload and the number of payments. The projected number of payments is then multiplied by the respective cost per payment.

FUNDING:

The administration costs consist of 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The increase in the Current Year is due to the one month delay in the implementation of the reduction of the SSP grants by 0.6 percent and reduction of SSI/SSP couples to the federal maintenance of effort floor, offset by a caseload that is lower than what was projected in the Appropriation.

SSI/SSP – SSP Administration

REASON FOR YEAR-TO-YEAR CHANGE:

The change in the Budget Year is due to an increase in caseload.

CASELOAD:

	2009-10	2010-11
Average Monthly Payments	1,275,859	1,295,449

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	Admin	Admin
Total	$159,993	$164,993
Federal	0	0
State	159,993	164,993
County	0	0
Reimbursements	0	0

Interest for Delayed SSI/SSP Payments

DESCRIPTION:

This premise addresses the interest owed to the federal government for the August and September 2009 advanced payments it forwarded to Supplemental Security Income/State Supplementary Payment (SSI/SSP) recipients while the state was unable to make payment due to budget issues.

KEY DATA/ASSUMPTIONS:

- Assumes an amount of $130,000 for the month of August 2009.
- Assumes an amount of $33,000 for the month of September 2009.

METHODOLOGY:

The amounts of interest charged for August and September were provided by the Social Security Administration, which is based on 31 days of interest for August, and four days of interest for September, with an interest rate of 11.25 percent.

FUNDING:

The interest will be paid with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

This premise deals with the Current Year (CY) months of advanced payment only.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise is a CY item only.

EXPENDITURES:

(In 000's):

	2009-10	2010-11
	Grant	Grant
Total	$163	$0
Federal	0	0
State	163	0
County	0	0
Reimbursements	0	0

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California Veterans Cash Benefit Program

DESCRIPTION:

This premise reflects the cost of providing benefits at the same level as State Supplementary Payment (SSP) benefits to certain veterans of World War II who 1) return to the Republic of the Philippines and no longer have a place of residence in the state; and 2) were receiving SSP benefits on December 14, 1999. The California Veterans Cash Benefit (CVCB) payments are authorized under Assembly Bill 1978 (Chapter 143, Statutes of 2000).

IMPLEMENTATION DATE:

This premise implemented on July 19, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12400.
- The grant costs associated with the implementation of this bill are the equivalent of SSP benefits the veterans would receive under the Supplemental Security Income (SSI)/SSP program.
- An average benefit payment of $177.28 will be paid to eligible recipients, which takes into account the withholding of the pass-through of the 2009 federal cost-of-living adjustment, effective May 1, 2009, and the 2.3 percent SSI/SSP grant reduction, effective July 1, 2009. The average benefit payment will decrease to $172.26, effective November 1, 2009, due to the 0.6 percent SSP grant reduction for individuals only.
- The Social Security Administration (SSA) administers the CVCB program in conjunction with benefits under Title VIII of the federal Social Security Act.
- Administrative costs associated with the CVCB program are reflected in the “SSI/SSP Administration” premise.
- The average monthly number of participating veterans is 1,389 in Fiscal Year (FY) 2009-10, and 1,236 in FY 2010-11.

METHODOLOGY:

The cost of the program is estimated by multiplying the number of participating veterans by the benefit.

FUNDING:

This program is funded 100 percent with General Fund.

CHANGE FROM THE APPROPRIATION:

The decrease is due to a lower average monthly caseload based on actual data and the impacts of the 2.3 percent SSI/SSP grant reduction and the 0.6 percent SSP grant reduction for individuals only.

California Veterans Cash Benefit Program

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year decrease is due to a lower average monthly caseload based on actual data.

EXPENDITURES:

(in 000's)

CVCB Costs	2009-10 Grant	2010-11 Grant
Total	$2,900	$2,625
Federal	0	0
State	2,900	2,625
County	0	0
Reimbursements	0	0

SSI Extension (P.L. 110-328)

DESCRIPTION:

This premise reflects the costs and savings associated with qualified Cash Assistance Program for Immigrants (CAPI) recipients transferring to the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program, and SSI/SSP recipients who will remain on SSI/SSP for two more years. Prior to the enactment of Public Law (P.L.) 110-328, refugees and other humanitarian immigrants became eligible for the 100 percent state-funded CAPI benefit once the seven-year period of SSI/SSP eligibility expired. They obtained CAPI eligibility because they were aged, blind or disabled, and no longer eligible for SSI/SSP due to their non-citizen immigration status. Under the federal law, refugees and other humanitarian immigrants are eligible to receive up to two more years of SSI benefits. However, the law does place conditions on this extended eligibility. The affected immigrants will have to show some evidence of having adjusted their immigration status to Lawful Permanent Resident (LPR) within certain timeframes, or be under age 18, or age 70 or older, in order to be eligible for reinstatement to SSI/SSP.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- The Social Security Administration (SSA) will continue to administer the program under Title XVI of the Social Security Act.
- Section 1611 of Title XVI defines the amount of SSI benefits an individual may be eligible to receive.
- Section 12200 of the Welfare and Institutions Code (W&IC) defines the maximum payment standard available under each living arrangement.
- Chapter 10.3 of the W&IC gives the California Department of Social Services the authority to administer the CAPI program.
- Section 18940 of the W&IC states that the CAPI program will be governed by the same federal and state regulations which govern the SSI/SSP program.
- Section 18941 of the W&IC authorizes benefits paid under CAPI to be equivalent to benefits provided under the SSI/SSP program, except that the schedule for individuals and couples shall be reduced $10 per individual and $20 per couple per month.
- Assumes a monthly average of 51 cases will stay on SSI/SSP for Fiscal Year (FY) 2009-10, beginning July 1, 2009, and a monthly average of 42 cases that will stay on SSI/SSP for FY 2010-11.
- SSI/SSP and CAPI average grants reflect the withholding of the pass-through of the 2009 federal cost of living adjustment (COLA), effective May 2009; the 2.3 percent SSI/SSP grant reduction, effective July 2009; the 0.6 percent SSP grant reduction for individuals only, effective November 2009, the SSI/SSP couples to the maintenance of effort (MOE) floor, effective November 2009, the 2010 federal COLA, effective January 2010; the suspension of the 2010 state COLA, effective June 2010, and the 2011 federal COLA, effective January 2011.
- This premise does not take into account the Reduce SSI/SSP Individuals MOE Floor and the Elimination of CAPI proposals.

SSI Extension (P.L. 110-328)

METHODOLOGY:

SSI/SSP costs and CAPI savings were calculated by multiplying the average grant amounts by the number of cases staying on SSI/SSP.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds, and the SSP portion is funded with 100 percent General Fund (GF). The CAPI program is funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The Current Year (CY) decrease is due to calculating only the prospective SSI/SSP cases that will reach their seven year term and would have transferred to CAPI, but now stay on for two more years. The impact to the CAPI cases that moved to SSI/SSP in FY 2008-09 can be found under the CAPI premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year (BY) increase is due to the accumulation of cases from CY through BY.

EXPENDITURES:

(In 000's)

	2009-10	2010-11
SSI/SSP		
	Grant	Grant
Total	$3,181	$6,645
Federal	2,400	5,038
State	781	1,607
County	0	0
Reimbursements	0	0

	2009-10	2010-11
CAPI		
Total	-$3,786	-$7,896
Federal	0	0
State	-3,786	-7,896
County	0	0
Reimbursements	0	0

Cash Assistance Program for Immigrants (CAPI)

DESCRIPTION:

This premise reflects the costs associated with providing benefits to aged, blind, and disabled legal immigrants under the Cash Assistance Program for Immigrants (CAPI). CAPI benefits are equivalent to Supplemental Security Income (SSI) and/or State Supplemental Payment (SSP) program benefits, less $10 per individual and $20 per couple. This premise includes costs for both the grant and administrative costs necessary for implementation.

CAPI recipients in the base program include the following immigrants: 1) those who entered the United States (U.S.) prior to August 22, 1996, and are not eligible for SSI/SSP benefits solely due to their immigration status; and 2) those who entered the U.S. on or after August 22, 1996, but meet special sponsorship restrictions (have a sponsor who is disabled, deceased, or abusive). The extended CAPI caseload includes immigrants who entered the U.S. on or after August 22, 1996, who do not have a sponsor or have a sponsor who does not meet the sponsor restrictions of the base program.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1998.

KEY DATA/ASSUMPTIONS:

- Chapter 10.3 of the Welfare and Institutions Code (W&IC) gives the California Department of Social Services the authority to administer the CAPI program.
- Section 18940 of the W&IC states that the CAPI program will be governed by the same federal and state regulations which govern the SSI/SSP program.
- Section 18941 of the W&IC authorizes benefits paid under CAPI to be equivalent to benefits provided under the SSI/SSP program, except that the schedule for individuals and couples shall be reduced $10 per individual and $20 per couple per month.
- Although CAPI was originally due to sunset on July 1, 2000, Assembly Bill (AB) 1111 (Chapter 147, Statutes of 1999) extended the base program indefinitely.
- AB 1111 also created time-limited CAPI eligibility from October 1, 1999, through September 30, 2000, for immigrants who entered the country on or after August 22, 1996. This bill established a five-year deeming period for these cases. AB 2876 extended time-limited CAPI for one more year through September 30, 2001. AB 429 (Chapter 111, Statutes of 2001) eliminated the sunset date for the time-limited ("extended") program altogether, and lengthened the deeming period to ten years.
- The average monthly number of total CAPI cases will be 9,029 in Fiscal Year (FY) 2009-10, and 10,886 in FY 2010-11.

Cash Assistance Program for Immigrants (CAPI)

KEY DATA/ASSUMPTIONS (continued):

- The average monthly grant is $640.85 for the Base CAPI cases, based on actual expenditures through February 2009. The average grant decreased due to withholding the pass-through of the 2009 federal cost of living adjustment (COLA), effective May 1, 2009. The average grant will again decrease due to the 2.3 percent SSI/SSP grant reduction, effective July 1, 2009. The average grant will again decrease due to the 0.6 percent SSP reduction for individuals only, and the SSI/SSP couples reduction to the maintenance of effort floor, both effective November 1, 2009. The average grant will remain at the 2009 level in 2010 to reflect a -2.1 percent federal COLA effective January 1, 2010, and will increase due to the January 2011 federal COLA, effective January 1, 2011.
- The average monthly grant is $789.64 for the Extended CAPI cases, based on actual expenditures through February 2009. The average grant will change as discussed above for the Base CAPI cases.
- The average monthly administrative cost per case for FY 2009-10 and 2010-11 of $152.17 is based on actual expenditures through February 2009.

METHODOLOGY:

Base CAPI program costs are estimated by multiplying the projected monthly caseload by the Base CAPI average grant and administrative cost per case. Extended CAPI costs are estimated by multiplying the Extended CAPI caseload by the Extended CAPI average grant and administrative cost per case. Base CAPI and extended CAPI costs are then added to determine total CAPI Program costs.

FUNDING:

The program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The Current Year costs have decreased due to the impact of the SSI Extension (Public Law 110-328). Qualified CAPI cases shifted to the SSI/SSP program in the Prior Year, therefore decreasing the CAPI caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase is due to an increase in caseload, namely those cases that left CAPI beginning October 2008 due to the SSI Extension premise, and returning after the two year limit expires, beginning October 2010.

Cash Assistance Program for Immigrants (CAPI)

EXPENDITURES:

(in 000's)	2009-10	2010-11
Total CAPI	Grant/Admin	Grant/Admin
Total	$93,869	$115,158
Federal	0	0
State	93,869	115,158
County	0	0
Reimbursements	0	0

(in 000's)	2009-10	2010-11
Base CAPI		
Total	$12,349	$7,976
Federal	0	0
State	12,349	7,976
County	0	0
Reimbursements	0	0

(in 000's)	2009-10	2010-11
Extended CAPI		
Total	$81,520	$107,182
Federal	0	0
State	81,520	107,182
County	0	0
Reimbursements	0	0

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Elimination of CAPI

DESCRIPTION:

This premise reflects the savings associated with the elimination of the Cash Assistance Program for Immigrants (CAPI). The CAPI program provides benefits to aged, blind, and disabled legal immigrants which are equivalent to Supplemental Security Income and/or State Supplemental Payment (SSI/SSP) program benefits, less $10 per individual and $20 per couple.

CAPI recipients in the base program include the following immigrants: 1) those who entered the United States (U.S.) prior to August 22, 1996, and are not eligible for SSI/SSP benefits solely due to their immigration status; and 2) those who entered the U.S. on or after August 22, 1996, but meet special sponsor restrictions (have a sponsor who is disabled, deceased, or abusive). The extended CAPI caseload includes immigrants who entered the U.S. on or after August 22, 1996, who do not have a sponsor or have a sponsor who does not meet the sponsor restrictions of the base program.

IMPLEMENTATION DATE:

This premise assumes a March 1, 2010 enactment of legislation with a June 1, 2010 implementation date.

KEY DATA/ASSUMPTIONS:

- Chapter 10.3 of the Welfare and Institutions Code (W&IC) gives the California Department of Social Services the authority to administer the CAPI program.
- Section 18940 of the W&IC states that the CAPI program will be governed by the same federal and state regulations which govern the SSI/SSP program.
- Section 18941 of the W&IC authorizes benefits paid under CAPI to be equivalent to benefits provided under the SSI/SSP program, except that the schedule for individuals and couples shall be reduced $10 per individual and $20 per couple per month.
- Although CAPI was originally due to sunset on July 1, 2000, Assembly Bill (AB) 1111 (Chapter 147, Statutes of 1999) extended the base program indefinitely.
- AB 1111 also created time-limited CAPI eligibility from October 1, 1999, through September 30, 2000, for immigrants who entered the country on or after August 22, 1996. This bill established a five-year deeming period for these cases. AB 2876 extended time-limited CAPI for one more year through September 30, 2001. AB 429 (Chapter 111, Statutes of 2001) eliminated the sunset date for the time-limited ("extended") program altogether, and lengthened the deeming period to ten years.
- The average monthly number of total CAPI cases will be 9,029 in Fiscal Year (FY) 2009-10, and 10,886 in FY 2010-11.
- The average monthly grant is $640.85 for the Base CAPI cases, based on actual expenditures through February 2009. The average grant will remain at the 2009 level in 2010 given no federal cost of living adjustment will be provided January 1, 2010.

Elimination of CAPI

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average monthly grant is $789.64 for the Extended CAPI cases, based on actual expenditures through February 2009. The average grant will change as discussed above for the Base CAPI cases.
- The average monthly administrative cost per case for FY 2009-10 and 2010-11 of $152.17 is based on actual expenditures through February 2009.
- The savings associated with reducing SSP grant amounts for CAPI recipients, individuals only, to the Maintenance of Effort (MOE) floor, effective June 1, 2010, are reflected in the Reduce SSI/SSP Individuals to MOE Floor premise.
- Statutory changes would be needed to eliminate the CAPI program.

METHODOLOGY:

Base CAPI program savings are estimated by multiplying the projected monthly caseload by the Base CAPI average grant and administrative cost per case. Extended CAPI savings are estimated by multiplying the Extended CAPI caseload by the Extended CAPI average grant and administrative cost per case. Base CAPI and extended CAPI savings are then added to determine total CAPI program savings.

FUNDING:

The program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE*:*

The Current Year reflects one month of savings, the Budget Year reflects a full year.

EXPENDITURES:

(in 000's)	2009-10	2010-11
Total CAPI	Grant/Admin	Grant/Admin
Total	-$8,113	-$107,262
Federal	0	0
State	-8,113	-107,262
County	0	0
Reimbursements	0	0

Additional TANF/MOE Expenditures in CDSS SSP MOE Eligible

DESCRIPTION:

This premise reflects the State Supplementary Payment (SSP) expenditures countable towards the state Temporary Assistance for Needy Families (TANF) program maintenance of effort (MOE). More specifically, the increase in SSP expenditures for disabled SSP children in California Work Opportunity and Responsibility to Kids (CalWORKs) families since the inception of the TANF program is countable as MOE.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. States must meet an 80 percent MOE to receive their full block grant allocation. The MOE is reduced to 75 percent for states that meet the work participation rate requirement. For California, the amount of the MOE is based on state and county expenditures in Federal Fiscal Year (FFY) 1994. As a result of the state having consistently met its work participation agreement, the MOE level has been lowered from $2.9 billion (80 percent) to $2.7 billion, which constitutes 75 percent of the 1994 level.

The state may count toward the MOE both local and state expenditures made by the California Department of Social Services (CDSS) or other departments on behalf of TANF/CalWORKs-eligible families. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: 45 Code of Federal Regulations Section 263.2.
- The average number of SSP children living in a CalWORKs household for April through June 2009, was 9,406, or 11.5 percent of total SSP children living with relatives.
- SSP expenditures for SSP children living with relatives were $52.8 million in 1995. SSP expenditures for the same population are estimated at $79.7 million in Fiscal Year (FY) 2009-10.
- Expenditures for SSP children living in a CalWORKs household in 1995 are estimated at $8.5 million.

Additional TANF/MOE Expenditures in CDSS SSP MOE Eligible

METHODOLOGY:

- Expenditures for FY 2009-10 and FY 2010-11 are forecasted based on the increase or decrease in the SSP payment standard from year to year. For FY 2009-10, the SSP payment standard will decrease on July 1, 2009, due to the 2.3 percent SSI/SSP grant reduction, and will decrease again on November 1, 2009, due to the 0.6 percent SSP grant reduction for individuals. On June 1, 2010, the SSP payment standard may decrease again, due to the Reduce SSI/SSP Individuals to MOE Floor premise. However, this population is already at the federal MOE floor, and will remain at that level for FY 2009-10 and FY 2010-11.
- The percentage of SSP children living in a CalWORKs household is multiplied by the estimated SSP expenditures for each fiscal year to arrive at expenditures attributable to SSP children living in a CalWORKs household. For FY 2009-10 and FY 2010-11, SSP expenditures for this population are estimated at $9.1 and $9.2 million, respectively.
- For FY 2008-09, the amount by which allowable current year expenditures exceed total state program expenditures in 1995 is $0.6 million ($9.1 - $8.5 million).
- For FY 2009-10, the amount by which allowable SSP expenditures will exceed total state program expenditures in 1995 is $0.7 million ($9.2 - $8.5 million).

FUNDING:

The SSP expenditures are funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The increase is due to a one month delay in the implementation of the 0.6 percent SSP grant reduction for individuals.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase is due to an increase in caseload.

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$578	$643
Federal	0	0
State	578	643
County	0	0
Reimbursements	0	0

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

DESCRIPTION:

This premise reflects the basic costs for the In-Home Supportive Services (IHSS) program. Assembly Bill (AB) 1773 (Chapter 939, Statutes of 1992) required the California Department of Health Care Services (DHCS) to submit a Medicaid state plan amendment to the federal Centers for Medicare and Medicaid Services (CMS) (formerly the Health Care Financing Administration) to include a portion of the IHSS program as a Title XIX eligible service. This portion of the IHSS program is known as the Personal Care Services Program (PCSP).

In 2004, DHCS received approval for an Independence Plus Section 1115 Demonstration Project to allow certain IHSS Residual program recipients to receive services under the new IHSS Independence Plus Waiver (IPW). Effective September 30, 2009, the IPW expired and will not be renewed. On October 1, 2009, a Social Security Act Section 1915(j) State Plan Option, titled the IHSS Plus Option (IPO), was implemented. The new IPO absorbed the IPW caseload, and provides the same services as the IPW plus an enhanced support system.

The IHSS program enables eligible individuals to remain safely in their own homes as an alternative to out-of-home care. Eligible recipients are aged, blind or disabled individuals who receive public assistance or have low incomes.

Assembly Bill (AB) 925 (Chapter 1088, Statutes of 2002) allows recipients to utilize authorized personal care services in locations outside of the home, including their place of employment, as authorized by the director. Services and service hours remain limited to those authorized for the recipient in their own home.

The PCSP and IPO programs provide services which including the following:

- Domestic services such as meal preparation, laundry, shopping, and errands.
- Non-medical personal care services.
- Assistance while traveling to medical appointments or to other sources of supportive services.
- Teaching and demonstration directed at reducing the need for supportive services.
- Certain paramedical services ordered by a physician.
- Protective supervision tasks.

The following six categories of services are unique to the IPO:

Advance Pay
Restaurant Meal Allowance (RMA)
Services Provided by Parent/Spouse
Protective Supervision by Parent/Spouse
Domestic Services by Parent/Spouse
Multiple Services

The third component of the IHSS program is the state-only Residual program, which provides services to recipients who are ineligible for the federal PCSP and IPO programs.

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

DESCRIPTION (CONTINUED):

IHSS is provided in any of three service delivery modes. Those service modes are the individual provider (IP) mode, the county contract (CC) mode, and the welfare staff (WS) mode. The WS mode is also referred to as the county homemaker mode. The IP mode consists of an individual, hired by the recipient, who provides services to the recipient. The CC mode provides for IHSS services to be performed by a service provider under contract with the individual counties. The contractor employs the individuals who provide the services to the recipient. The WS mode utilizes county employees to provide services for recipients.

The State Compensation Insurance Fund (SCIF), under contract, administers the workers' compensation insurance for the IPs providing services for IHSS recipients.

The Department of General Services (DGS), under contract, acts as agent for the California Department of Social Services (CDSS) in the management and supervision of SCIF. DGS also monitors high cost cases ($50,000 and over in paid costs) on a quarterly basis.

The IHSS Case Management Information and Payrolling System (CMIPS) authorizes payments and provides CDSS and the counties with information regarding wages, taxes, hours per case, cost per hour, PCSP/IPO and Residual program caseload and funding ratios, share of cost, RMA, and the number of providers in the IP mode. (See the CMIPS premises for more information.)

IMPLEMENTATION DATE:

This premise implemented on April 1, 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300-12314 and 14132.95.
- The projected caseload percentages for the PCSP/IPO and Residual program are 91.99 percent and 8.01 percent, respectively, based on the average caseloads to date for Current Year (CY) 2009-10 and Budget Year (BY) 2010-11. (Note: An adjustment to caseload is made under the Title XIX Eligible Recipients Adjustment premise to account for recipients who are eligible to receive services under a Title XIX program, and therefore FFP, but who are not accounted for as such under this premise. The adjustment results in a caseload increase to 98.46 percent for PCSP/IPO and decrease to 1.54 percent for Residual in the CY, and a caseload increase to 98.56 percent for PCSP/IPO and decrease to 1.44 percent for Residual in the BY. For more information, please see the Title XIX Eligible Recipients Adjustment premise [formerly titled the Waiver for Residual Program.])
- The average monthly PCSP/IPO caseloads for CY 2009-10 are projected to be 2,237 (CC), 66 (WS), and 420,902 (IP), and Residual caseloads were 774 (CC), 43 (WS), and 36,019 (IP).
- The average monthly PCSP/IPO caseloads for BY 2010-11 are projected to be 2,383 (CC), 70 (WS), and 448,286 (IP), and Residual caseloads were 825 (CC), 46 (WS), and 38,362 (IP).
- The PCSP/IPO CC mode average monthly hours per case is assumed to be 68.09 hours at a cost per hour of $20.24. The WS average monthly hours per case is assumed to be 8.84 hours at a cost per hour of $19.48.

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

KEY DATA/ASSUMPTIONS (CONTINUED):

- The Residual CC mode average monthly hours per case is assumed to be 27.63 hours at a cost per hour of $18.74. The Residual WS average monthly hours per case is assumed to be 7.32 hours at a cost per hour of $18.63.
- The IP wage rate and average monthly hours per case are based on the individual counties data.
- The payroll tax rate associated with IP wages is assumed at ten percent.
- Based on actuals for Fiscal Year 2008-09, the average PCSP/IPO program recipient's share of cost (SOC) in the IP mode of service is assumed to be $408 per case, and in the CC/WS modes of service $292 in the CY and the BY. The average Residual program recipient's share of cost in the IP mode of service is assumed to be $432, and in the CC/WS modes of service $173 in the CY and the BY.
- In the PCSP/IPO program, the average monthly SOC caseload is assumed to be 8,415 (IP) and 77 (CC and WS) in the CY, and 8,963 (IP) and 77 (CC and WS) in the BY.
- In the Residual program, the average monthly SOC caseload is assumed to be 698 (IP) and 9 (CC and WS) in the CY, and 744 (IP) and 9 (CC and WS) in the BY.
- The RMA cost per case is $62.
- The RMA cost is estimated to be $476,662 in the CY and $507,675 in the BY.
- The SCIF contract cost is assumed to be $48.5 million in the CY and $48.5 million in the BY.
- The DGS contract cost is set at $120,000 for both the CY and the BY.
- The CY and the BY include costs for the Los Angeles County Back-Up Attendant Program.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA Federal Medical Assistance Percentage (FMAP) increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- Effective September 30, 2009, the IPW expired and will not be renewed. On October 1, 2009, the IPO was implemented. The new IPO absorbed the IPW caseload, and provides the same services as the IPW plus an enhanced support system. Service costs are expected to be the same for this same population. For more information, please see the IHSS Plus Option (IPO) – Administration premise description.

METHODOLOGY:

The estimated PCSP/IPO basic cost is computed by multiplying the casemonths times the average hours per case, times the cost per hour, plus the associated payroll taxes, minus the share of cost. In addition, the PCSP/IPO caseload percentage of the SCIF and DGS contract costs are added.

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

METHODOLOGY (CONTINUED):

The estimated Residual basic cost is computed by multiplying the casemonths times the average hours per case times the cost per hour, plus associated payroll taxes, minus the share of cost. In addition, the Residual program caseload percentage of the SCIF and DGS contract costs, and RMA are added.

FUNDING:

For PCSP/IPO services, the Title XIX FMAP rate will temporarily increase to 61.594 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

The nonfederal share of the PCSP/IPO is split 65 percent state and 35 percent county. The county share of cost is reflected as a reimbursement, consistent with actual cash flow.

Under the Residual program, total basic service costs are split 65 percent state and 35 percent county. The counties' share of the cost is reflected as a reimbursement, consistent with actual cash flow.

CHANGE FROM THE APPROPRIATION:

The CY decrease reflects a decrease in caseload growth, a decrease in cost per hour, an increase in hours per case, and wage and/or benefit adjustments for nine counties.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects caseload growth and a full year of wage increases.

CASELOAD:

	2009-10	2010-11
PCSP/IPO Average Monthly Caseload	423,205	450,739
Residual Program Average Monthly Caseload	36,836	39,233
PCSP/IPO & Residual Programs Average Monthly Caseload Totals	460,041	489,972

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

EXPENDITURES:

(in 000's)

TOTAL	2009-10	2010-11
Total	$5,461,127	$5,817,847
Federal	0	0
State	1,897,461	2,022,373
County	0	0
Reimbursements	3,563,666	3,795,474

PCSP/IPO	2009-10	2010-11
Total	$4,986,643	$ 5,312,744
Federal	0	0
State	1,592,996	1,698,263
County	0	0
Reimbursements	3,393,647	3,614,481

Residual Program	2009-10	2010-11
Total	$474,484	$505,103
Federal	0	0
State	304,465	324,110
County	0	0
Reimbursements	170,019	180,993

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Case Management Information and Payrolling System (CMIPS) and Associated Costs

DESCRIPTION:

This premise reflects the costs associated with the operation and maintenance of the In-Home Supportive Services (IHSS) Case Management Information and Payrolling System (CMIPS). The CMIPS consists of the following three components:

Case Management

The CMIPS stores the case record of each individual recipient. The case record of each recipient contains information on eligibility, needs assessment, share of cost, if appropriate, and all changes affecting a recipient's case. The CMIPS also generates notices of action, cost-of-living adjustments, and rate changes. The CMIPS further allows for data exchanges with other welfare systems and is used to establish Medi-Cal eligibility. Unique Client Index Numbers (CINs) facilitate the identification of common clients and the exchange of data with other systems. CIN transactions are processed through the Office of Systems Integration server.

Management Information

The CMIPS provides periodic management reports that include fiscal and statistical data on a case-by-case, worker-by-worker, office-by-office, county-by-county, and statewide basis.

Payrolling System

The CMIPS provides for the authorization and issuance of warrants for payments for services provided by the individual-provider mode and prepares all employer tax forms and reports. These reports are used for bookkeeping, accounting, and tax preparation purposes on behalf of recipients, County Welfare Departments, and the California Department of Social Services (CDSS).

The State Controller's Office (SCO), under contract with CDSS, issues payroll checks to the individual providers on behalf of IHSS recipients. The SCO also issues replacement checks and handles checks returned as undeliverable.

The State Treasurer's Office (STO), under contract with CDSS, performs bank reconciliation of IHSS warrants, and redeems all valid warrants issued for IHSS providers.

IMPLEMENTATION DATE:

This premise implemented on February 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12302.2.
- The CMIPS contract is currently held by Electronic Data Systems (EDS).
- The estimated costs for the SCO contract were updated. In the Current Year (CY) and Budget Year (BY), there are no provider direct deposit costs associated with the SCO contract.

Case Management Information and Payrolling System (CMIPS) and Associated Costs

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimated CIN transaction costs are based on a projection of the number of transactions and a cost of 70 cents per transaction.

	2009-10	2010-11
EDS	$11,637,648	$12,130,932
STO	$915,987	$915,987
SCO	$5,745,000	$8,113,170
CIN Transaction	$8,307	$8,307
Total Costs	$18,306,942	$21,168,396

METHODOLOGY:

The estimate is computed by summing the EDS, STO, SCO, and CIN data and transaction fee costs. The total cost is split between the Personal Care Services Program (PCSP)/IHSS Plus Option (IPO) and the Residual program based on a caseload percent to total.

FUNDING:

- In the PCSP/IPO, the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and BY. The nonfederal share is split 70 percent state and 30 percent county.
- In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

CHANGE FROM THE APPROPRIATION:

The CY change is due to a decrease in EDS costs for payroll processing.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase is due to increased EDS and SCO costs.

Case Management Information and Payrolling System (CMIPS) and Associated Costs

EXPENDITURES:
(in 000's)

TOTAL	2009-10	2010-11
Total	$18,307	$21,168
Federal	0	0
State	6,920	8,002
County	2,966	3,429
Reimbursements	8,421	9,737

PCSP/IPO	2009-10	2010-11
Total	$ 16,841	$19,474
Federal	0	0
State	5,894	6,816
County	2,526	2,921
Reimbursements	8,421	9,737

Residual Program	2009-10	2010-11
Total	$1,466	$1,694
Federal	0	0
State	1,026	1,186
County	440	508
Reimbursements	0	0

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Case Management Information and Payrolling System (CMIPS) Legacy Enhancements

DESCRIPTION:

This premise reflects the funding required for several Case Management Information and Payrolling System (CMIPS) enhancements needed to meet the documentation and data collection and reporting requirements of the In-Home Supportive Services (IHSS) program. This premise includes programming, implementation and ongoing costs for enhancements, systems operation and maintenance, monthly outreach mailing, Help Desk staffing and forms processing for Provider Direct Deposit (PDD) and Conlan. It also includes programming and implementation costs for the Share of Cost (SOC) Buyout Program, IHSS Cost Containment implementation, IHSS Cost Containment reversal (V.L. v. Wagner), Provider Enrollment Statement Form/Process, IHSS Plus Option (IPO) – Administration, and IHSS Anti-Fraud Initiative. PDD was successfully implemented on May 1, 2008.

This premise was formerly known as the CMIPS Enhancements. The word "Legacy" was added to clarify that this premise includes costs associated with the original CMIPS program, commonly referred to as CMIPS Legacy, and differentiate it from the new CMIPS II system.

IMPLEMENTATION DATE:

This premise implemented on August 31, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12317 [Chapter 229, Statutes of 2004 (Senate Bill 1104)] and section 12304.4 [Chapter 75, Statutes of 2006 (Assembly Bill 1808)].
- The PDD cost assumes 40 percent provider participation. The Current Year (CY) PDD cost is $1.7 million total funds (TF). The Budget Year (BY) cost is $1.8 million TF.
- The Conlan cost assumes $0.1 million TF in the CY and the BY.
- The SOC Buyout cost assumes $0.1 million TF in the CY.
- The IHSS Cost Containment implementation cost assumes $0.2 million TF in the CY.
- The reversal of programming to implement the IHSS Cost Containment premise, resulting from V.L. v. Wagner, assumes $20,000 TF in the CY.
- The Provider Enrollment Statement Form/Process cost assumes $1.4 million TF in the CY.
- The IPO - Administration cost assumes $10,000 TF in the CY.
- The IHSS Anti-Fraud Initiative cost assumes $50,000 TF in the CY.

METHODOLOGY:

The estimate is computed by summing the programming, implementation, and ongoing costs for enhancements, systems operation and maintenance, ongoing monthly outreach mailing, Help Desk staffing and forms processing for the impacted programs.

Case Management Information and Payrolling System (CMIPS) Legacy Enhancements

FUNDING:

- Under the Personal Care Service Program (PCSP)/IPO, the federal Title XIX reimbursement represents 50 percent of the total funding. Apart from the IHSS Anti-Fraud Initiative, which has a 50 percent federal and 50 percent General Fund (GF) share, the nonfederal share for all other impacted programs is split 70 percent GF and 30 percent county.
- For the Residual program, the GF share is 70 percent of the total, and the county share is 30 percent.

CHANGE FROM THE APPROPRIATION:

The CY increases represent one-time CMIPS Legacy programming and implementation costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects a decrease due to one-time CY costs.

EXPENDITURES:

(in 000's)

TOTAL	2009-10	2010-11
Total	$3,379	$1,950
Federal	0	0
State	1,283	737
County	539	316
Reimbursements	1,557	897

PCSP/IPO	2009-10	2010-11
Total	$3,110	$1,794
Federal	0	0
State	1,095	628
County	458	269
Reimbursements	1,557	897

Case Management Information and Payrolling System (CMIPS) Legacy Enhancements

EXPENDITURES (CONTINUED):

(in 000's)

Residual Program	2009-10	2010-11
Total	$269	$156
Federal	0	0
State	188	109
County	81	47
Reimbursements	0	0

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Case Management, Information and Payrolling System (CMIPS) II Contract Procurement

DESCRIPTION:

This premise reflects the costs for contracting with the Health and Human Services Agency Office of Systems Integration (OSI) for development, support, and implementation of a new and enhanced In-Home Supportive Services (IHSS) Case Management, Information and Payrolling System (CMIPS). This project proposes to replace the existing CMIPS with new technologies that provide system access for all IHSS county workers and a communication network between state and county IHSS offices.

IMPLEMENTATION DATE:

This premise implemented on April 1, 2008.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 12302.2.

METHODOLOGY:

The estimated costs are detailed in the October 2007 Implementation Advance Planning Document, and in the Supplementary Premise Information Spring 2009.

FUNDING:

- In the Personal Care Services Program (PCSP), the Title XIX Federal Medical Assistance Percentage rate is a blended rate of 64 percent.
- The nonfederal share is funded 100 percent General Fund (GF).
- In the Residual Program, the funding is 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The Fiscal Year (FY) 2009-10 costs have been adjusted for Employee Compensation and Retirement, as well as for legislatively mandated enhancements.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2010-11 costs have been adjusted for Pro Rata, Employee Compensation, and Retirement.

Case Management, Information and Payrolling System (CMIPS) II Contract Procurement

EXPENDITURES:

(in 000's)

Total	2009-10	2010-11
	County Admin.	County Admin.
Total	$116,340	$115,598
Federal	0	0
State	47,333	47,031
County	0	0
Reimbursements	69,007	68,567

PCSP	2009-10	2010-11
	County Admin.	County Admin.
Total	$107,824	$107,136
Federal	0	0
State	38,817	38,569
County	0	0
Reimbursements	69,007	68,567

Residual Program	2009-10	2010-11
	County Admin.	County Admin.
Total	$8,516	$8,462
Federal	0	0
State	8,516	8,462
County	0	0
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)	2009-10	2010-11
Total	$116,340	$115,598
CDSS	24,187	24,187
OSI	92,153	91,411

Public Authority Administration

DESCRIPTION:

This premise reflects the Public Authority (PA) administrative costs for the In-Home Supportive Services (IHSS) Personal Care Services Program (PCSP), the IHSS Plus Option (IPO), and non-Title XIX eligible IHSS recipients in the Residual program. Senate Bill 1780 (Chapter 206, Statutes of 1996) defined the make-up and functions of the PAs. PAs are the employers of IHSS providers for the purposes of collective bargaining over wages, hours, and other terms of employment. IHSS recipients, however, retain the right to hire, fire, and supervise the work of any IHSS worker providing services to them. A county board of supervisors may elect to establish a PA to provide for the delivery of IHSS. PAs are separate entities from the county in which they operate. Employees of PAs shall not be employees of the county for any reason.

The PA shall provide, but is not limited to, the following functions:

- The provision of assistance to recipients in finding IHSS providers through the establishment of a registry.
- The investigation of the qualifications and background of potential providers.
- The establishment of a referral system under which IHSS providers shall be referred to recipients.
- The provision of training for providers and recipients.
- Other functions related to the delivery of IHSS.

The PA rate includes the hourly costs for wages, employer taxes, benefits, and administrative costs. The PA rate cannot exceed 200 percent of the current minimum wage in order to qualify for federal financial participation. The PA must submit a rate approval request to the California Department of Social Services (CDSS). Once CDSS approves the request, it is submitted to the California Department of Health Care Services (DHCS) for final approval. After DHCS approves the rate, the PA is notified of the new rate at which it can claim costs.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12301.
- Effective September 30, 2009, the IHSS Plus Waiver (IPW) expired and will not be renewed. On October 1, 2009, a Social Security Act Section 1915(j) State Plan Option, titled the IHSS Plus Option, was implemented. The new 1915(j) absorbed the IPW caseload, and provides the same services plus an enhanced support system. Service costs are expected to be the same for this same population. For more information, please see the IHSS Plus Option (IPO) – Administration premise description.

Public Authority Administration

METHODOLOGY:

The estimated cost is computed by multiplying the casemonths by the average hours per case by the administrative hourly rates for each PA.

FUNDING:

In the PCSP/IPO, the Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share is split 65 percent state and 35 percent county.

In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent of the total.

CHANGE FROM THE APPROPRIATION:

The Current Year was held to Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

This Budget Year increase reflects caseload growth and administrative rate changes.

EXPENDITURES:

(in 000's)

TOTAL	2009-10	2010-11
Total	$65,022	$66,431
Federal	0	0
State	23,318	23,809
County	0	0
Reimbursements	41,704	42,622

PCSP/IPO	2009-10	2010-11
Total	$58,297	$59,604
Federal	0	0
State	18,946	19,371
County	0	0
Reimbursements	39,351	40,233

Public Authority Administration

EXPENDITURES (CONTINUED):

(in 000's)

Residual Program	2009-10	2010-11
Total	$6,725	$6,827
Federal	0	0
State	4,372	4,438
County	0	0
Reimbursements	2,353	2,389

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Reduce Public Authority Administration

DESCRIPTION:

This premise reflects a reduction to Public Authority (PA) administrative costs for the In-Home Supportive Services (IHSS) Personal Care Services Program (PCSP), the IHSS Plus Option (IPO), and non-Title XIX eligible IHSS recipients in the Residual program.

The PA rate includes the hourly costs for wages, employer taxes, benefits, and administrative costs. The PA rate cannot exceed 200 percent of the current minimum wage in order to qualify for federal financial participation. The PA must submit a rate approval request to the California Department of Social Services (CDSS). Once CDSS approves the request, it is submitted to the California Department of Health Care Services (DHCS) for final approval. After DHCS approves the rate, the PA is notified of the new rate at which it can claim costs.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Assembly Bill X4 1 (Chapter 1, Statutes of 2009, Fourth Extraordinary Session).
- Assumes a 20 percent reduction plus an $8.7 million reduction as a result of the Governor's veto.
- Effective September 30, 2009, the IHSS Independence Plus Waiver (IPW) expired and will not be renewed. On October 1, 2009, the IPO was implemented. The new IPO absorbed the IPW caseload, and provides the same services as the IPW plus an enhanced support system. Service costs are expected to be the same for this same population. For more information, please see the IPO – Administration premise description.

METHODOLOGY:

The estimated savings is computed by applying a 20 percent reduction to the total PA administrative hourly rates for each PA plus the additional Governor’s veto reduction of $8.7 million General Fund (GF).

FUNDING:

- In the PCSP/IPO, the Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share is split 65 percent GF and 35 percent county.
- In the Residual program, the GF share is 65 percent of the total, and the county share is 35 percent of the total.

CHANGE FROM THE APPROPRIATION:

The Current Year was held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Reduce Public Authority Administration

EXPENDITURES:

(in 000's)

TOTAL	2009-10	2010-11
Total	-$37,896	-$37,896
Federal	0	0
State	-13,318	-13,318
County	-7,162	-7,162
Reimbursements	-17,416	-17,416

PCSP/IPO	2009-10	2010-11
Total	-$34,850	-$34,850
Federal	0	0
State	-11,338	-11,338
County	-6,096	-6,096
Reimbursements	-17,416	-17,416

Residual Program	2009-10	2010-11
Total	-$3,046	-$3,046
Federal	0	0
State	-1,980	-1,980
County	-1,066	-1,066
Reimbursements	0	0

PCSP Three-Month Retroactive Benefits

DESCRIPTION:

This premise reflects the service and administrative costs associated with implementing a Medi-Cal rule that provides reimbursement for eligible In-Home Supportive Services (IHSS) personal care services rendered up to three months prior to application. This premise applies to the Personal Care Services Program (PCSP), IHSS Plus Option (IPO), and Residual program.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2005.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Budget Act of 2004.
- Based on the number of approvals in July 2008 through June 2009, 1.69 percent of cases each month will be new applicants.
- Based on Medi-Cal data, it is assumed that 0.02 percent of all applicants will be eligible to receive at least one month of retroactive benefits for the period prior to the month of application. It is also assumed that, on average, these applicants will receive 1.16 months of retroactive benefits.
- In addition, it is assumed that 2.58 percent of applicants will be eligible to receive a retroactive benefit for a portion of the month in which they applied. The average period of retroactive benefit is assumed to be two weeks.
- The administrative cost of processing the retroactive payments is assumed to require one additional hour to review incoming claims to determine eligibility and 1.5 additional hours to process eligible claims. It is assumed that ten percent of all applicants will submit a claim. The social worker cost per hour is assumed to be $60.55.
- Effective September 30, 2009, the IHSS Plus Waiver (IPW) expired and will not be renewed. On October 1, 2009, a Social Security Act Section 1915(j) State Plan Option, titled the IHSS Plus Option, was implemented. The new 1915(j) absorbed the IPW caseload, and provides the same services plus an enhanced support system. Service costs are expected to be the same for this same population. For more information, please see the IHSS Plus Option (IPO) – Administration premise description.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA Federal Medical Assistance Percentage (FMAP) increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- The Budget Year (BY) reflects the impact of the “Limit IHSS Services to Recipients with FI Score of 4.00 and Above” premise.

METHODOLOGY:

The number of cases to receive retroactive benefits was derived using the percentage of new cases and the percentage of cases that are eligible to receive retroactive benefits.

PCSP Three-Month Retroactive Benefits

METHODOLOGY (CONTINUED):

Estimated costs for benefits are based on the number of eligible retroactive cases, the average monthly cost per case and the assumption that each case will receive either two weeks or 1.16 months of retroactive benefits.

The administrative costs are based on the number of claims received and eligible retroactive claims, the time to review or process each case and the IHSS social worker cost per hour.

FUNDING:

- For PCSP/IPO services, the Title XIX FMAP rate will temporarily increase to 61.594 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- The nonfederal share for PCSP/IPO services is split 65 percent General Fund (GF) and 35 percent county.
- This premise uses actual expenditures as reported on county administrative expense claims for the past four quarters to determine the Title XIX reimbursement percentage rate for administrative costs as applicable to federally eligible recipients. The Title XIX reimbursement percentage rate for the Current Year (CY) is 49.62 percent and 49.49 percent in the BY.
- For Residual program services, the GF share is 65 percent and county share is 35 percent.
- The nonfederal share of administrative costs for PCSP/IPO and Residual are split 70 percent GF and 30 percent county.

CHANGE FROM THE APPROPRIATION:

For services, the CY change is a result of a decrease in new cases.

For administration, the CY change was held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

For the services and administration, the BY change reflects decreased caseload.

EXPENDITURES:

(in 000's)

Services	2009-10	2010-11
Total PCSP/IPO/Residual		
Total	$1,211	$166
Federal	0	0
State	427	58
County	0	0
Reimbursements	784	108

PCSP Three-Month Retroactive Benefits

EXPENDITURES (CONTINUED):
(in 000's)

PCSP/IPO	2009-10	2010-11
Total	$1,106	$152
Federal	0	0
State	359	49
County	0	0
Reimbursements	747	103

Residual Program	2009-10	2010-11
Total	$105	$14
Federal	0	0
State	68	9
County	0	0
Reimbursements	37	5

Administration (PCSP/IPO/Residual)	2009-10	2010-11
	Admin.	Admin.
Total	$796	$108
Federal	0	0
State	281	38
County	120	16
Reimbursements	395	54

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Reduce State Participation to $9.50 in Wages and $0.60 in Health Benefits

DESCRIPTION:

This premise reflects the savings associated with reducing the state's participation in the costs of In-Home Supportive Services (IHSS) wages to up to $9.50 per hour and health benefits up to $0.60 per hour.

Under current law, IHSS providers may organize and collectively bargain for wages and individual health benefits on a county-by-county basis. In the Current Year (CY), state law provides that the state will share in wages up to $12.10 per hour for IHSS providers and health benefits in the counties that have an IHSS Public Authority (PA) or Non-Profit Consortium (NPC). For the counties that have neither a PA nor an NPC, the law requires the state to share in the cost of wages only up to the state minimum wage plus 5.31 percent ($8.42/hour) with no state share in health benefits. Effective July 1, 2009, current law will implement reduced costs in wages up to $9.50 per hour and benefits up to $0.60 per hour. For the counties that have a Contract Mode, current statute provides for state participation in the costs up to the maximum allowable contract rate (MACR).

After the Legislature and the Governor approved this reduction in the State's participation in wages and benefits in the February 2009 Budget Act, the SEIU and other parties filed a lawsuit against the reduction. On June 26, 2009, the U.S. District Court issued a preliminary injunction against the reduction in the State's participation. The court amended the injunction in July 2009 requiring counties to change their wages and benefits to pre-July 1, 2009, levels. On August 7, 2009, an appeal of the injunction was filed with the U.S. 9th Circuit Court of Appeal. The case will continue to be litigated in the district court.

IMPLEMENTATION DATE:

The wage reduction to Reduce State Participation to $9.50 in Wages and $0.60 in Health Benefits that was proposed in the February 2009 Budget Act was not implemented due to a court injunction.

KEY DATA/ASSUMPTIONS:

- Assumes the state will share in wages up to $9.50 per hour and benefits up to $0.60 per hour.
- Assumes twelve months of eroded savings in the CY.
- Assumes zero savings in the Budget Year (BY).
- This reduction was not implemented due to a court injunction.
- Effective September 30, 2009, the Independence Plus Waiver (IPW) expired and will not be renewed. On October 1, 2009, a Social Security Act Section 1915(j) State Plan Option titled the IHSS Plus Option (IPO) was implemented. The new 1915(j) absorbed the IPW caseload, and provides the same plus some enhanced services. Service costs are expected to be the same for this same population. For more information, please see the IHSS Plus Option (IPO) – Administration premise description.

Reduce State Participation to $9.50 in Wages and $0.60 in Health Benefits

METHODOLOGY:

Savings are calculated by taking the difference between the product of current Individual Provider wages and benefits in each county, by the number of recipients and hours of service, and the product of the new state share up to $9.50 in wages plus up to $0.60 in health benefits in each county, by the number of recipients and hours of service.

FUNDING:

For PCSP/IPO services, the Title XIX FMAP rate will temporarily increase to 61.594 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

For PCSP/IPO, the non-federal share is split 65 percent state and 35 percent county.

The state-only Residual program share is split 65 percent state and 35 percent county.

CHANGE FROM THE APPROPRIATION:

The CY reflects twelve months of eroded savings due to the pending court injunction.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects zero savings.

EXPENDITURES:

(in 000's)

Total	2009-10	2010-11
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Reduce State Participation to $9.50 in Wages and $0.60 in Health Benefits

EXPENDITURES (CONTINUED):
(in 000's)

PCSP/IPO	2009-10	2010-11
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Residual	2009-10	2010-11
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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Reduce State Participation to $8.00 in Wages and $0.60 in Health Benefits

DESCRIPTION:

This premise reflects the savings associated with reducing the state's participation in the costs of In-Home Supportive Services (IHSS) provider wages to the minimum wage level of $8.00 per hour and health benefits to $0.60 per hour. Due to lower revenue projections and increased caseload driven costs, budget reductions are needed in the Current Year (CY) and the Budget Year (BY) as part of an ongoing need to balance the budget.

Under current law, IHSS providers may organize and collectively bargain for wages and individual health benefits on a county-by-county basis. In the CY, state law provides that the state will share in wages up to $12.10 per hour and health benefits for IHSS providers in the counties that have an IHSS Public Authority (PA) or Non-Profit Consortium (NPC). For the counties that have neither a PA nor an NPC, the law requires the state to share in the cost of wages only up to the state minimum wage plus 5.31 percent ($8.42 per hour), with no state share in health benefits. For the counties that have a Contract Mode, current statute provides for state participation in the costs up to the maximum allowable contract rate (MACR).

IMPLEMENTATION DATE:

This premise assumes a March 1, 2010 enactment of legislation with a June 1, 2010 implementation date.

KEY DATA/ASSUMPTIONS:

- Assumes statutory changes will be made prior to the reduction in the state share of costs.
- Assumes the state minimum wage is currently $8.00 per hour and that the state will share in health benefits up to $0.60 per hour.
- This premise will be impacted by the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA Federal Medical Assistance Percentage (FMAP) increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- Effective September 30, 2009, the Independence Plus Waiver (IPW) expired and will not be renewed. On October 1, 2009, the IHSS Plus Option (IPO) was implemented. The new IPO absorbed the IPW caseload, and provides the same services as the IPW plus an enhanced support system. Service costs are expected to be the same for this same population. For more information, please see the IPO – Administration premise description.

METHODOLOGY:

- Savings are calculated by taking the difference between the product of current individual provider wages and benefits in each county, by the number of recipients and hours of service, and the product of the new state share at the minimum wage of $8.00 plus up to $0.60 in health benefits in each county, by the number of recipients and hours of service.
- The statewide savings reflect the estimated caseload and hours in each county.

Reduce State Participation to $8.00 in Wages and $0.60 in Health Benefits

FUNDING:

- For PCSP/IPO services, the Title XIX FMAP rate will temporarily increase to 61.594 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- For PCSP/IPO, the non-federal share is split 65 percent General Fund (GF) and 35 percent county.
- The state-only Residual program share is split 65 percent GF and 35 percent county.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The CY reflects one month of savings and the BY reflects a full year of savings.

EXPENDITURES:

(in 000's)

Total	2009-10	2010-11
Total	-$26,459	-$338,161
Federal	0	0
State	-26,459	-338,161
County	0	0
Reimbursements	0	0

PCSP/IPO	2009-10	2010-11
Total	-$22,378	-$286,006
Federal	0	0
State	-22,378	-286,006
County	0	0
Reimbursements	0	0

Reduce State Participation to $8.00 in Wages and $0.60 in Health Benefits

EXPENDITURES (CONTINUED):

(in 000's)

Residual	2009-10	2010-11
Total	-$4,081	-$52,155
Federal	0	0
State	-4,081	-52,155
County	0	0
Reimbursements	0	0

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Conlan

DESCRIPTION:

This premise reflects the costs associated with implementing a Medi-Cal rule that provides reimbursement for eligible In-Home Supportive Services (IHSS) personal care services rendered up to three months prior to application, during the evaluation period and post approval. In *Conlan v. Bontá*, the San Francisco Superior Court ordered the Department of Health Care Services (DHCS) to ensure that Medi-Cal recipients entitled to reimbursement for covered services 90 days prior to the Medi-Cal application date are promptly reimbursed. The DHCS implementation plan to comply with *Conlan v. Bontá* is the subject of *Conlan v. Shewry*. Beginning December 2006, DHCS sent notices to current and former Medi-Cal beneficiaries regarding the process to file a Beneficiary Reimbursement claim. To process the claims, DHCS contracted with Electronic Data Systems (EDS) to establish the Beneficiary Services Center (BSC). Claims for reimbursement for IHSS are forwarded to the California Department of Social Services (CDSS) Adult Programs Branch (APB) by EDS/BSC. Claims regarding missed share of cost (SOC) buyouts and excess SOC claims, also known as X-27 SPEC Transactions, are forwarded by counties to CDSS' APB in the same manner as requests for review under the Conlan decision. Both types of claims are processed in the same manner as it cannot be determined which of the two types (X-27 SPEC Transactions or Conlan) have been submitted until they have been fully reviewed and prepared for processing.

IMPLEMENTATION DATE:

The court ordered a start date of November 16, 2006.

KEY DATA/ASSUMPTIONS:

- Implemented by All-County Letters No. 07-11 (February 20, 2007) and No. 07-32 (September 13, 2007).
- Based on current data from EDS/BSC, it is assumed that approximately 34 claims will be forwarded to APB per month, of which each qualified analyst will process an average of 12 Conlan and nine X-27 SPEC Transactions per month. The average cost per claim is assumed to be $654 for Conlan claims and $409 for X-27 SPEC Transaction claims in Fiscal Year (FY) 2009-10 and 2010-11.
- Effective September 30, 2009, the IHSS Independence Plus Waiver (IPW) expired and will not be renewed. On October 1, 2009, the 1919(j) State Plan Option, titled the IHSS Plus Option (IPO), was implemented. The new IPO absorbed the IPW caseload, and provides the same services as the IPW plus an enhanced support system. Service costs are expected to be the same for this same population. For more information, please see the IHSS Plus Option (IPO) – Administration premise description.

METHODOLOGY:

The estimated cost is computed by multiplying the number of claims by the approval rate, then by the average cost per claim.

Conlan

FUNDING:

Conlan claims are paid 65 percent state and 35 percent county. The county share is reflected as a reimbursement.

X-27 SPEC Transactions are paid 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The Current Year has been updated to reflect current, updated data.

REASON FOR YEAR-TO-YEAR CHANGE:

This increase reflects the ability to process more claims in the Budget Year.

EXPENDITURES:

(in 000's)

PCSP/IPO	2009-10	2010-11
Total	$190	$258
Federal	0	0
State	124	168
County	0	0
Reimbursements	66	90

IHSS Cost Containment

DESCRIPTION:

This premise reflects the savings associated with establishing a baseline functional index (FI) score (or minimum threshold) and a baseline FI rank for domestic and related services (i.e. housework, shopping for food, meal preparation and clean-up, and laundry) for those persons receiving In-Home Supportive Services (IHSS). Under this premise, individuals with an FI score below 2.00 would be ineligible for IHSS and only individuals with an FI rank of 4 and 5 would be eligible to receive Domestic and Related activities. These baseline thresholds, however, would not apply to recipients with protective supervision or paramedical services.

The goal of this proposal is to target reductions in services to the highest functioning individuals who have been identified as having the lowest need for services. The IHSS program's Uniform Assessment Tool is used by counties to assess an individual's need for IHSS based on one's functioning ability across a spectrum of average daily activities. The Uniform Assessment is conducted to determine initial eligibility for IHSS and at annual reassessments, or following any change in a recipient's condition. As a result of the assessment, each recipient is provided an FI ranking in each of the eleven activities of daily living (ADLs). The weighted average of these rankings is calculated to determine the FI score. The level of need is established by the FI ranks and FI score.

Due to lower revenue projections and increased caseload driven costs, this budget reduction is needed in the Current Year (CY) and the Budget Year (BY) as part of an ongoing need to balance the budget.

After the Legislature and the Governor approved the IHSS Cost Containment service reduction in the 2009 Budget Act, individual IHSS recipients and the SEIU filed a lawsuit against these reductions. On October 19, 2009, the U.S. District Court issued a preliminary injunction that halted the implementation of this reduction, stating that this reduction violated several federal laws.

IMPLEMENTATION DATE:

The IHSS Cost Containment service reduction that was included in the 2009 Budget Act was not implemented due to a court injunction. The manual cost for rescinded terminations and reduced services on the impacted cases can be found under the V.L. v. Wagner (County Admin.) premise.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12309 and 12309.1.
- Assumes an average provider wage based on current law (based on individual provider mode wages).
- This premise is eligible to benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA Federal Medical Assistance Percentage (FMAP) increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- This reduction was not implemented due to a court injunction.

IHSS Cost Containment

METHODOLOGY:

- The estimated savings were based on the number of IHSS service hours for recipients with an FI score of 1.99 and below, and the number of domestic and related services hours for recipients with an FI rank of 4 and 5, assuming an average of 95 percent of a recipient's authorized hours would actually be utilized.
- The savings were adjusted to reflect costs associated with potential appeals. The adjusted costs consisted of the assumed number of hours restored as a result of successful appeals, as well as state and county administrative costs for processing appeals.

FUNDING:

- For PCSP/IPO services, the Title XIX FMAP rate will temporarily increase to 61.594 percent effective October 1, 2008, through December 31, 2010.
- The non-federal share is split 65 percent General Fund and 35 percent county. The county share of costs is reflected as a reimbursement, consistent with actual cash flow.

CHANGE FROM THE APPROPRIATION:

The CY reflects nine months of eroded savings.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects zero savings.

EXPENDITURES:

(in 000's)

Total	2009-10	2010-11
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

IHSS Cost Containment

EXPENDITURES (CONTINUED):
(in 000's)

PCSP/IPO	2009-10	2010-11
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Residual	2009-10	2010-11
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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Limit IHSS Services to Recipients with FI Score 4.00 and Above

DESCRIPTION:

This premise reflects the savings associated with establishing a baseline functional index (FI) score (or minimum threshold) of 4.00 in order for individuals to be eligible to receive In-Home Supportive Services (IHSS).

The goal of this proposal is to target reductions in services to the highest functioning individuals who have been identified as having the lowest need for services. The IHSS program's Uniform Assessment Tool is used by counties to assess an individual's need for IHSS based on one's functioning ability across a spectrum of average daily activities. The Uniform Assessment is utilized to determine initial eligibility for IHSS and at annual reassessments, or following any change in a recipient's condition. As a result of the assessment, each recipient is provided an FI ranking in each of the eleven activities of daily living (ADLs). The weighted average of these rankings is calculated to determine the FI score. The level of need is established by the FI ranks and FI score.

Due to lower revenue projections and increased caseload driven costs, this budget reduction is needed in the Current Year (CY) and the Budget Year (BY) as part of an ongoing need to balance the budget.

IMPLEMENTATION DATE:

This premise assumes a March 1, 2010 enactment of legislation with a June 1, 2010 implementation date.

KEY DATA/ASSUMPTIONS:

- Assumes 400,665 recipients in the CY have an FI score of 3.99 or lower and would not be eligible to receive IHSS for one month in the CY (includes adjustment for successful appeals). A total of 59,376 recipients will remain eligible with an FI score of 4.00 or above for one month in the CY.
- Assumes 426,733 recipients in the BY have an FI score of 3.99 or lower and would not be eligible to receive IHSS for the entire BY (includes adjustment for successful appeals). A total of 63,239 recipients will remain eligible with an FI score of 4.00 or above for the entire BY.
- Assumes a CY caseload of 98.46 percent PCSP/IPO and 1.54 percent Residual, and a BY caseload of 98.56 percent PCSP/IPO and 1.44 percent Residual.
- The average monthly hours of this population is 74.4 hours.
- Assumes 20 percent of impacted cases will appeal the elimination of these services. Of that 20 percent, it is assumed 76 percent will have their cases reviewed by a social worker (SW), and will not go to hearing. It is assumed that the remaining 24 percent will be reviewed by a SW, will receive a full hearing and will get their hours restored.
- Assumes 75 percent of the 20 percent of impacted cases that appeal will call within ten days and receive three months of Aid Paid Pending (APP).

Limit IHSS Services to Recipients with FI Score 4.00 and Above

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes the cost of administrative law judges is included.
- Assumes a SW cost of $60.55 per hour, and that SWs require 0.5 hours per case to work on/review appeals, plus 1.0 hour per case to work on, prepare for, and present at hearings.
- Assumes an average provider wage of $8.00 per hour plus up to $0.60 in benefits (using Individual Provider mode wages) based on the "Reduce State Participation to $8.00 in Wages and $0.60 in Benefits" premise.
- This premise will be impacted by the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA Federal Medical Assistance Percentage (FMAP) increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

- The estimated savings are based on the number of IHSS service hours for recipients with an FI score of 3.99 and below, assuming an average of 95 percent of a recipient's authorized hours will actually be utilized.
- The savings were adjusted to reflect costs associated with potential appeals. The adjusted costs consist of the assumed number of hours restored as a result of successful appeals, as well as state and county administrative costs for processing appeals.

FUNDING:

- For PCSP/IPO services, the Title XIX FMAP rate will temporarily increase to 61.594 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- The non-federal share is split 65 percent General Fund and 35 percent county. The county share of costs is reflected as a reimbursement, consistent with actual cash flow.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects a full year of savings.

Limit IHSS Services to Recipients with FI Score 4.00 and Above

EXPENDITURES:
(in 000's)

Total	2009-10	2010-11
Total	-$234,258	-$3,470,856
Federal	0	0
State	-77,267	-1,141,876
County	-41,459	-618,639
Reimbursements	-115,532	-1,710,341

PCSP/IPO	2009-10	2010-11
Total	-$232,430	-$3,445,505
Federal	0	0
State	-76,077	-1,125,433
County	-40,821	-609,731
Reimbursements	-115,532	-1,710,341

Residual	2009-10	2010-11
Total	-$1,828	-$25,351
Federal	0	0
State	-1,190	-16,443
County	-638	-8,908
Reimbursements	0	0

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IHSS Anti-Fraud Initiative Savings

DESCRIPTION:

This premise reflects the savings associated with multiple anti-fraud measures which together enhance state and county efforts to prevent fraud, identify errors and overpayments, pursue collections, and detect and refer suspected incidences of fraud for the In-Home Supportive Services (IHSS) program. These measures are intended to significantly increase the prevention and detection of fraud within the IHSS program, thereby ensuring that scarce resources are being used to serve eligible people and to pay for actual services rendered rather than misdirected.

The following measures constitute the primary components of the IHSS Anti-Fraud Initiative:

- Related Activities – Includes targeted mailings, fraud training for county staff, notices of actions to inform of authorized services, provider orientations, and reviews of criminal records, subsequent arrest notifications, and appeals of provider terminations.
- 78 county investigators, and unannounced home visits to confirm services are being provided as authorized.
- County anti-fraud plans/activities in collaboration with county District Attorneys.
- Fingerprinting IHSS recipients.
- Face-to-Face provider enrollment.
- Timecard accountability.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- The savings to program costs generated as a result of this premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA federal medical assistance percentage (FMAP) increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- Estimated net General Fund (GF) savings for eight months of Fiscal Year (FY) 2009-10 is $116.3 million and twelve months of savings for FY 2010-11 is $54.2 million at the 50 percent FMAP rate. Calculation assumes a ten percent savings of the adjusted IHSS Basic Cost, accounting for the wage/benefit and service reductions. The net GF savings assumes no impact from anti-fraud administrative activities.
- Estimated net GF savings for eight months of FY 2009-10 at the 61.594 percent enhanced FMAP rate as a result of the ARRA is $95.5 million and twelve months of savings in FY 2010-11 is $50.0 million. Calculation assumes a ten percent savings of the adjusted IHSS Basic Cost, accounting for the wage/benefit and service reductions. The net GF savings assumes no impact from anti-fraud administrative activities.

IHSS Anti-Fraud Initiative Savings

KEY DATA/ASSUMPTIONS (CONTINUED):

- Savings are generated as a result of the anti-fraud activities performed under the following premises: IHSS Anti-Fraud Initiative – County/DA Activities; IHSS Anti-Fraud Initiative – County Investigation; IHSS Anti-Fraud Initiative - Related Activities; and IHSS Anti-Fraud Initiative - Fingerprinting Recipients, plus costs for programming CMIPS Legacy and CMIPS II, and the requirement for face-to-face provider enrollment under the Provider Enrollment Statement Form/Process premise.
- This premise assumes the anti-fraud administrative activities will cover the cost of the anti-fraud activities themselves, as well as produce a resulting net savings.
- The Current Year (CY) and the Budget Year (BY) reflect the impact of the "Limit IHSS Services to Recipients with FI Score of 4.00 and Above" premise.
- The CY reflects eight months of cost and savings and the BY reflects one full year of cost and savings.

METHODOLOGY:

The amount of net savings is determined by calculating ten percent of the basic cost for IHSS for each fiscal year. The net savings on this line are then increased by the total cost of the anti-fraud activities, thereby accounting for the costs which are also assumed to be covered as a result of the anti-fraud activities.

FUNDING:

- For PCSP/IPO services, the Title XIX FMAP rate will temporarily increase to 61.594 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- In the Residual program, the GF share is 65 percent of the total, and the county share is 35 percent of the total.

CHANGE FROM THE APPROPRIATION:

The CY reflects eight months of savings due to a delayed implementation.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects a full year of cost/savings.

IHSS Anti-Fraud Initiative Savings

EXPENDITURES:

(in 000's)

Totals	2009-10	2010-11
PCSP/IPO/Residual		
Total	$-387,102	$-245,673
Federal	0	0
State	-135,129	-70,933
County	-73,877	-57,968
Reimbursements	-178,096	-116,772

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Waiver Personal Care Services

DESCRIPTION:

This premise, formerly called Extended Personal Care Services (Assembly Bill (AB) 668), reflects the costs for personal care services that are provided above a recipient's assessed limit in the In-Home Supportive Services/Personal Care Services Program (IHSS/PCSP).

AB 668 (Chapter 896, Statutes of 1998) provided for additional hours on behalf of eligible PCSP recipients if they needed more than the 283 monthly hours allowed under IHSS and qualified for the Medi-Cal Skilled Nursing Facility Level of Care (SNFLOC) Home and Community Based Services (HCBS) Waiver program. The SNFLOC waiver program was approved by the Centers for Medicare and Medicaid Services (CMS), formerly the Health Care Financing Administration, effective July 1, 1999.

On January 1, 2007, CMS approved the renewal of the Nursing Facility A and B Levels of Care (NF A/B) Waiver for a five-year period effective January 1, 2007, through December 31, 2011. At the time of renewal, the NF Subacute (NF S/A) and In-Home Medical Care (IHMC) Waivers were combined with the NF A/B Waiver and the name was changed to the Nursing Facility/Acute Hospital (NF/AH) Waiver. The NF/AH Waiver maintains the NF A/B, NF S/A, and Acute Hospital levels of care (LOC) that were previously in the separate waivers. The combining of these waivers helped streamline the administrative and reporting process of three waivers into one.

On January 1, 2007, CMS also approved the In-Home Operations (IHO) Waiver for a three-year period effective January 1, 2007, through December 31, 2009. The IHO Waiver has enrolled Medi-Cal beneficiaries who have continuously been enrolled in a Department of Health Care Services (DHCS)-administered HCBS waiver since prior to January 1, 2002, have received and continue to receive direct care services primarily rendered by licensed nurses, and whose HCBS costs exceed the level of care cost cap under the NF/AH Waiver. DHCS is preparing a renewal of the IHO Waiver, and anticipates CMS approval for a five-year period effective January 1, 2010, through December 31, 2014.

"Waiver Personal Care Services" (WPCS) has been redefined under these two waivers to include services that differ from those in the State Plan which allow beneficiaries to remain at home. Although there is no longer a requirement that waiver consumers receive the maximum of 283 hours of State Plan Personal Care Services (SPPCS) prior to receiving waiver personal care services, waiver consumers must be receiving some SPPCS. Waiver personal care services will be one option on a menu of services that waiver participants may choose from, to the extent that waiver cost neutrality is assured. These services will be provided by the counties' IHSS program providers and will be paid via an interagency agreement with DHCS, or will be provided by home health agencies and other qualified HCBS waiver provider types who will be paid via the Medi-Cal fiscal intermediary.

Senate Bill (SB) 643 (Chapter 551, Statutes of 2005) required DHCS to increase the number of NF A/B Waiver slots by 500, reserving a minimum of 250 for Medi-Cal beneficiaries transitioning from facilities, and adding community transition services and habilitation services as available waiver services. These slot increases were approved for the NF/AH Waiver, and new services were implemented on July 1, 2007, when new procedure codes were implemented. SB 643 allows implementation of the expansion only to the extent fiscal neutrality within DHCS's budget as a department for these slots, and federal fiscal neutrality as required under the terms of the federal waiver, can be demonstrated.

Waiver Personal Care Services

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 14132.97.
- The average number of NF A/B LOC beneficiaries using the WPCS is estimated to increase by an average of 20 per month in Fiscal Year (FY) 2009-10, and 21 per month in FY 2010-11.
- The average number of NF S/A LOC beneficiaries using the WPCS is estimated to increase by an average of five per month in FY 2009-10, and five per month in FY 2010-11.
- The Current Year (CY): The NF A/H Waiver NF A/B LOC total hours are 1,708,985 and NF S/A LOC total hours are 1,287,090. The IHO Waiver NF A/B LOC total hours are 169,104 and NF S/A LOC total hours are 33,945.
- The Budget Year (BY): The NF A/H Waiver NF A/B total hours are 2,242,888 and NF S/A total hours are 1,513,890. The IHO Waiver NF A/B total hours are 169,104 and NF S/A total hours are 36,573.
- The cost per hour is assumed at $10.60 in the CY and the BY.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA Federal Medical Assistance Percentage (FMAP) increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- The IHO Waiver is set to expire on December 31, 2009. DHCS is preparing a renewal of the IHO Waiver and anticipates CMS approval of the renewal for a five-year period effective January 1, 2010, through December 31, 2014. This premise assumes an approval of the renewal request and a continuation of services through the BY for the IHO Waiver.

METHODOLOGY:

The CY and the BY estimated costs are computed by multiplying the average monthly caseload by projected monthly hours per case by the cost per hour by twelve months.

FUNDING:

- For PCSP/IPO services, the Title XIX FMAP rate will temporarily increase to 61.594 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- The nonfederal share of the service costs is reimbursed 100 percent by DHCS.

Waiver Personal Care Services

CHANGE FROM THE APPROPRIATION:

The estimate has been updated to reflect current caseload and cost per hour information.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects caseload growth.

EXPENDITURES:

(in 000's)

PCSP	2009-10	2010-11
Total	$33,910	$42,002
Federal	0	0
State	0	0
County	0	0
Reimbursements	33,910	42,002

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Title XIX Eligible Recipients Adjustment

DESCRIPTION:

This premise reflects an adjustment in the shares of cost for the In-Home Supportive Services (IHSS) Personal Care Services Program (PCSP)/IHSS Plus Option (IPO) and Residual populations. Due to the inclusion of a portion of Title XIX federally-eligible recipients under the Residual program in the "Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs" premise, an technical adjustment is necessary for the correct amount of federal financial participation (FFP) to be identified and drawn down, and savings to be generated to the state and counties.

The IHSS basic cost estimate uses a report to identify PCSP/IPO and Residual caseloads and calculate corresponding percentages. The categories of that report include a portion of the IHSS programs' federally-eligible recipients under the state-only IHSS Residual program. Through the use of a separate report with an identifier that provides an accurate count of the Residual population, a calculation is subsequently made to determine the cost and number of recipients in the original report under the IHSS Residual program who should be identified as federally-eligible. The adjustment made for this population allows FFP to be drawn down, and corresponding savings to be applied the state and county shares.

The Current Year (CY) projected caseload percentages for the PCSP/IPO and Residual programs are 91.99 percent and 8.01 percent, respectively, as identified under the "Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs" premise. The adjustments resulting from this premise reflect the true total PCSP/IPO caseload of 98.46 percent and true total Residual caseload of 1.54 percent for Fiscal Year (FY) 2009-10. Adjusted Budget Year (BY) projected caseload percentages are 98.56 percent and 1.44 percent, respectively.

In 2004, the Department of Health Care Services (DHCS) received approval from the federal Centers for Medicaid and Medicare Services for an Independence Plus Section 1115 Demonstration Project to allow certain recipients in the state-only IHSS Residual program to receive services under the new IHSS Plus Waiver (IPW). This premise became necessary following the implementation of the IPW in order to more accurately account for Title XIX eligible recipients who were shifting into the IPW. Effective September 30, 2009, the IPW expired and will not be renewed. On October 1, 2009, a Social Security Act Section 1915(j) State Plan Option, titled the IHSS Plus Option, was implemented. The new 1915(j) absorbed the IPW caseload and provides the same services plus some enhanced services.

This premise was formerly titled the Waiver for Residual Program.

IMPLEMENTATION DATE:

This premise implemented on August 1, 2004.

KEY DATA/ASSUMPTIONS:

- Assumes 7,062 recipients for the CY and 912 for the BY are not eligible to participate in the Title XIX IHSS programs, and constitute an accurate count of the IHSS Residual population.

Title XIX Eligible Recipients Adjustment

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes a total cost of $91 million in the CY for the 7,062 recipients under the IHSS Residual program, and a total cost of $12 million in the BY for 912 recipients.
- Assumes a Residual program average monthly cost per case of $1,073.41 for the CY, and $1,072.87 for the BY.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA Federal Medical Assistance Percentage (FMAP) increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- The BY reflects the impact of the "Limit IHSS Services to Recipients with FI Score of 4.00 and Above" premise.

METHODOLOGY:

The cost of the recipients identified as actually being Title XIX eligible is subtracted from the total cost for IHSS Residual Basic. This cost is then re-shared using a 50 percent FMAP rate for the federal share with the nonfederal share split 65 percent General Fund (GF) and 35 percent county.

FUNDING:

- For PCSP/IPO services, the Title XIX FMAP rate will temporarily increase to 61.594 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- The nonfederal share is split 65 percent GF and 35 percent county. The county share of cost is reflected as a reimbursement, consistent with actual cash flow.
- The Title XIX funds are shown as a reimbursement.

CHANGE FROM THE APPROPRIATION:

The increase in CY savings reflects an increase in average monthly cost per case.

REASON FOR YEAR-TO-YEAR CHANGE:

This decrease in savings reflects a decrease in the number of Title XIX eligible cases identified in the Residual program that are re-shared as federally-eligible cases.

Title XIX Eligible Recipients Adjustment

EXPENDITURES:

(in 000's)

Residual Program	2009-10	2010-11
Total	$0	$0
Federal	0	0
State	-130,195	-75,564
County	-260	- 278
Reimbursements	130,455	75,842

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Title XIX Reimbursement – In-Home Supportive Services/CSBG/Child Welfare Services

DESCRIPTION:

This premise reflects the federal financial participation (FFP) associated with Title XIX eligible services as authorized under Title XIX of the federal Social Security Act (42 U.S.C., Section 1396, et. seq.). Certain In-Home Supportive Services (IHSS), assessment and eligibility activities, County Services Block Grant (CSBG) activities, and Adult Protective Services (APS) are eligible to receive Title XIX federal funding. Additionally, certain health-related (HR) activities in Child Welfare Services (CWS) are also eligible to receive these funds.

The California Department of Social Services (CDSS) coordinates with the Department of Health Care Services (DHCS) to establish claiming processes to pull down applicable FFP.

Title XIX reimbursements for the IHSS program are displayed in the CDSS tables as follows:

- Line 367 represents Personal Care Services Program (PCSP) Title XIX reimbursements.
- Line 368 represents Waiver Personal Care Services Title XIX reimbursements from DHCS.
- Line 369 represents the PSCP county share of Title XIX reimbursements.
- Line 370 represents the Title XIX reimbursements for federally-eligible recipients identified under the Residual program who are eligible for and recipients of the PSCP or IHSS Plus Option (IPO) programs.
- Line 371 represents the Residual county share of the Title XIX reimbursements.
- Line 372 represents the administrative costs eligible for Title XIX reimbursements.

KEY DATA/ASSUMPTIONS:

IHSS

- Authorizing statute: Welfare and Institutions Code (W&IC) sections 12300 through 12317.2.
- The PCSP and IPO are eligible to receive Title XIX funding at the applicable Federal Medical Assistance Percentages (FMAP).
- Qualified IHSS activities performed by Skilled Professional Medical Personnel (SPMP) are eligible to receive Title XIX funding at the enhanced administrative FMAP rate of 75 percent. Qualified activities performed by non-SPMP are eligible to receive the non-enhanced administrative FMAP rate of 50 percent.
- Effective September 30, 2009, the IHSS Independence Plus Waiver (IPW) expired and will not be renewed. On October 1, 2009, the IPO was implemented. The new IPO absorbed the IPW caseload, and provides the same services as the IPW plus an enhanced support system. Service costs are expected to be the same for this same population. For more information, please see the IPO – Administration premise description.
- The PCSP and IPO under IHSS services will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. Administrative and other activities eligible to receive enhanced FMAP are not eligible to receive temporary FMAP increases as a result of the ARRA. For more information, please see the ARRA premise description.

Title XIX Reimbursement – In-Home Supportive Services/CSBG/Child Welfare Services

KEY DATA/ASSUMPTIONS (CONTINUED):

CWS

- Authorizing statute: W&IC section 16500.
- CWS program costs are eligible for Title XIX funding at the enhanced administrative rate of 75 percent for SPMP and 50 percent for non-SPMP.

CSBG/APS

- Authorizing statute: W&IC sections 13004 through 13007 (CSBG) and sections 15703 through 15705.40 (APS).

METHODOLOGY:

IHSS PCSP/IPO

For PCSP/IPO services, the Title XIX FMAP rate will temporarily increase to 61.594 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the ARRA must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

IHSS Administration

- HR activities in support of Medi-Cal eligible recipients are eligible to receive Title XIX reimbursement at 50 percent. Activities performed by SPMP are eligible to receive Title XIX reimbursement at the enhanced FMAP rate of 75 percent.
- The administrative Title XIX reimbursement rate uses actual expenditures as reported on county administrative expense claims for the past four quarters to determine the Title XIX reimbursement percentage rate for administrative costs as applicable to federally eligible recipients. The Title XIX reimbursement percentage rate for the Current Year (CY) is 49.62 percent and 49.49 percent in the Budget Year (BY).

CWS

For the CY and the BY, the Title XIX reimbursement was calculated using prior year actual expenditures.

CSBG/APS

- HR activities in support of Medi-Cal eligible recipients are eligible to receive Title XIX reimbursement at 50 percent. Activities performed by SPMP are eligible to receive Title XIX reimbursement at the enhanced FMAP rate of 75 percent.
- Estimated costs are based on actual expenditures.

Title XIX Reimbursement – In-Home Supportive Services/CSBG/Child Welfare Services

CHANGE FROM THE APPROPRIATION:

This estimate has been updated to reflect current data.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects decreases due to changes in program costs and savings, and the ARRA.

EXPENDITURES:

(in 000's)	2009-10	2010-11
Title XIX Total	**$3,431,002**	**$1,033,769**
IHSS Services	**$3,065,638**	**$820,623**
PCSP	2,865,338	704,370
IPO	200,300	116,253
Health Related Activities	**$365,364**	**$213,146**
IHSS Administration	207,515	52,874
CWS	92,616	96,788
CSBG	20,873	20,873
APS/APS Training	44,360	42,611

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In-Home Supportive Services Administration – Basic Costs

DESCRIPTION:

This premise reflects the costs of administering the In-Home Supportive Services (IHSS) program through the Personal Care Services Program (PCSP), IHSS Plus Option (IPO) and Residual programs. Assembly Bill 1773 (Chapter 939, Statutes of 1992) required the California Department of Health Care Services to submit a Medicaid state plan amendment to the federal Centers for Medicaid and Medicare Services, formerly the Health Care Financing Administration, to include a portion of the IHSS program as a covered service. The IHSS program provides in-home services to the aged, blind, and disabled to help individuals maintain an independent living arrangement and avoid institutionalization. This premise also includes administrative costs for completion of the emergency contact and back-up form.

IMPLEMENTATION DATE:

The Title XIX eligible PCSP was implemented in April of 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300 through 12314 and 14132.95.
- The social worker (SW) unit cost is held at $60.55 per hour in both the Current Year (CY) and the Budget Year (BY).
- The standard hours per case are 11.58 hours, including five minutes for completing the required emergency contact and emergency back-up plan form.
- The Supported Individual Provider (SIP) expenditures are assumed to increase with caseload growth. The estimated caseload decrease is 86.3 percent in the BY.
- The estimated Title XIX reimbursement percentage for Fiscal Year (FY) 2009-10 is 49.62 percent and 49.49 percent in FY 2010-11, based on actual expenditure information as reported on the County Expense Claim for the past four quarters.
- Effective September 30, 2009, the IPW expired and will not be renewed. On October 1, 2009, a Social Security Act Section 1915(j) State Plan Option titled the IPO was implemented. The new 1915(j) absorbed the IPW caseload, and provides the same services plus an enhanced support system. Service costs are expected to be the same for this same population. For more information, please see the IHSS Plus Option (IPO) – Administration premise description.
- The BY reflects the impact of the “Limit IHSS Services to Recipients with FI Score of 4.00 and Above” premise.

METHODOLOGY:

The estimated cost is computed by multiplying the caseload times the standard hours per case times the SW unit cost, plus the estimated SIP costs.

In-Home Supportive Services Administration – Basic Costs

FUNDING:

- Skilled professional medical personnel (SPMP) are reimbursed at the enhanced Federal Medical Assistance Percentage (FMAP) rate of 75 percent. Non-SPMP are reimbursed at the FMAP rate of 50 percent.
- Under the PCSP/IPO, the non-federal share is split 70 percent General Fund (GF) and 30 percent county.
- The state-only Residual program share is split 70 percent GF and 30 percent county.

CHANGE FROM THE APPROPRIATION:

The CY was held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY change reflects a decreased caseload.

CASELOAD:

	2009-10	2010-11
Average Monthly Caseload (before service reduction)	460,041	489,972
Average Monthly Caseload (after service reduction)	425,512	63,239

EXPENDITURES:

(in 000's)

	2009-10 Admin.	2010-11 Admin.
Total	$333,283	$45,494
Federal	0	0
State	117,536	16,084
County	50,373	6,893
Reimbursements	165,374	22,517

County Employer of Record (AB 2235)

DESCRIPTION:

This premise reflects the cost of administrative activities necessary for counties to act as the employer of record for In-Home Supportive Service (IHSS) providers. Counties may choose to act as the employer of record for IHSS individual providers to achieve compliance with Assembly Bill (AB) 1682.

AB 2235 (Chapter 1135, Statutes of 2002) further requires any county which is not in compliance with the mandates of AB 1682 to act as the employer of record (within a specified timeframe) for collective bargaining purposes. To comply, counties had to provide documentation no later than January 15, 2003, in support of compliance, or detailed information in support of delayed compliance by March 31, 2003. Counties that did not provide required documentation or meet the delayed compliance deadline automatically defaulted to act as the employer of record.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300 through 12314 and 14132.95.
- This estimate assumes that Alpine and Tuolumne counties will act as employer of record for both the Current Year (CY) and the Budget Year (BY).
- The estimated Title XIX reimbursement percentage for the CY is 49.62 percent and 49.49 percent for the BY based on actual expenditure information as reported on county administrative expense claims for the past four quarters.

METHODOLOGY:

The CY and the BY estimated costs are the sum of the projected annual costs for each county.

FUNDING:

The Title XIX Federal Medical Assistance Percentage (FMAP) rate is 50 percent. The nonfederal share for the Personal Care Services Program (PCSP) administrative costs is split 70 percent state and 30 percent county.

For state-only Residual program administrative costs, the state share is 70 percent and the county share is 30 percent.

CHANGE FROM THE APPROPRIATION:

There is no change.

County Employer of Record (AB 2235)

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10 Admin.	2010-11 Admin.
Total	$352	$352
Federal	0	0
State	124	124
County	53	53
Reimbursements	175	175

Court Cases

DESCRIPTION:

This premise reflects the cost of court settlements and attorney fees related to the In-Home Supportive Services (IHSS) program. Costs include the settlement of lawsuits pertaining to local assistance in accordance with Budget Letter 98-22 and instructions from the Department of Finance.

KEY DATA/ASSUMPTIONS:

The estimate is based in part on actual payments for cases in the Current Year (CY), and the California Department of Social Services (CDSS) Legal Division's projection of costs to be paid in both the CY and the Budget Year (BY).

METHODOLOGY:

The CY and the BY estimates of costs reflect known and anticipated settlements and attorney fees related to the IHSS program. These are state-only costs.

FUNDING:

IHSS costs for case settlement and attorney fees are funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The CY increase is due to new pending litigation and attorney fees.

REASON FOR YEAR-TO-YEAR CHANGE:

This decrease reflects the latest projected attorney fees from the CDSS Legal Division.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	Admin.	Admin.
Total	$741	$245
Federal	0	0
State	741	245
County	0	0
Reimbursements	0	0

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Advisory Committees

DESCRIPTION:

This premise reflects the costs of establishing and operating In-Home Supportive Services (IHSS) advisory committees as required by Assembly Bill (AB) 1682 (Chapter 90, Statutes of 1999). AB 1682 mandated that counties act as or establish an employer-of-record for IHSS providers on or before January 1, 2003, and establish advisory committees for IHSS purposes. The advisory committees are to submit recommendations to their respective county boards of supervisors on the preferred mode of IHSS service to be utilized in their counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300 through 12314.
- The estimate assumes the average annual cost for advisory committees is $52,966 per county.
- The estimate assumes that all counties have established and will operate advisory committees in the Current Year (CY) and the Budget Year (BY).
- The estimated Title XIX reimbursement percentage is 47 percent in the CY and the BY, based on actual expenditures as reported on county administrative expense claims for Fiscal Year 2005-06.

METHODOLOGY:

The estimated cost is computed by multiplying the average annual cost per county by 58 counties.

FUNDING:

The federal Title XIX reimbursement represents 47 percent of the total funding in the CY and the BY. The remaining nonfederal share is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Advisory Committees

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$3,072	$3,072
Federal	0	0
State	1,628	1,628
County	0	0
Reimbursements	1,444	1,444

Quality Assurance

DESCRIPTION:

The Quality Assurance (QA) Initiative was mandated by Senate Bill (SB) 1104 (Chapter 229, Statutes of 2004). The intent of this initiative is to improve the quality of services, enhance program integrity, and detect and prevent program fraud and abuse. SB 1104 mandated ongoing staff training for county In-Home Supportive Services (IHSS) workers and required the California Department of Social Services to collaborate with the California Department of Health Care Services (DHCS) on annual error rate studies and investigations of suspected fraud in the receipt or provision of services. The QA methodology derived savings from improved assessments and reassessments completed after social workers received training.

This premise reflects the administrative costs of implementing the QA program.

IMPLEMENTATION DATE:

This premise implemented on December 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12305.7 and 12305.71.
- County QA staff and additional IHSS workers were hired in Fiscal Year (FY) 2004-05 and FY 2005-06.
- The "Hourly Task Guidelines Implementation Analysis: Fiscal Year 2006-07" produced by the Institute for Social Research (ISR) at the California State University, Sacramento concluded that there is greater consistency in authorized hours for certain ranks and tasks. Also, the hourly task guidelines (HTGs) have been successful in bringing greater uniformity to the assessment process.
- The ISR analysis also concluded that there has been a modest decrease in authorized hours for assessments (two minutes) and reassessments (five minutes).

METHODOLOGY:

COSTS

County Staff

- It is assumed there are 220 county QA staff or additional IHSS workers working on the QA Initiative.
- The annual cost per Social Worker (SW) is assumed to be $129,083.
- County QA staff costs are estimated at $14.2 million for both the Current Year (CY) and the Budget Year (BY), with $5.0 million in General Fund (GF) each year.
- The CY includes costs for a contract with the ISR to evaluate the impact of the HTGs.

Quality Assurance

METHODOLOGY (CONTINUED):

State Level Training for SWs

- Training costs include curriculum development, classroom training, and post-training evaluation.
- Training will be provided in the CY and the BY on an ongoing basis.

FUNDING:

The Title XIX reimbursement percentage rate for FY 2009-10 is 49.62 percent and 49.49 percent in FY 2010-11.

The nonfederal share is split 70 percent state and 30 percent county.

CHANGE FROM THE APPROPRIATION:

The CY increase is due to a slight increase of the SW training contract.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects an updated HTG contract.

EXPENDITURES:

(in 000's)

Administration	2009-10 Admin.	2010-11 Admin.
Total	$32,399	$31,797
Federal	0	0
State	11,426	11,241
County	4,897	4,818
Reimbursements	16,076	15,738

Reduce IHSS County Administration

DESCRIPTION:

This premise reflects the savings from reducing county administration costs by five percent effective July 1, 2008, with reassessments continuing to occur annually.

IMPLEMENTATION DATE:

This premise implemented July 1, 2008.

KEY DATA/ASSUMPTIONS:

The reduction to IHSS county administration costs were held to the Budget Act of 2008 Appropriation.

METHODOLOGY:

Projected savings are based on a five percent across-the-board cut.

FUNDING:

- The Title XIX federal sharing ratio is based on the Federal Medical Assistance Percentage rate.
- The nonfederal share is split 70 percent state and 30 percent county.

CHANGE FROM THE APPROPRIATION

The savings for the Current Year were held to the Budget Act of 2008 Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The savings for the Current Year were held to the Budget Act of 2008 Appropriation.

EXPENDITURES:

(in 000's)

PCSP/Residual	2009-10 Grant	2010-11 Grant
Total	-$14,993	-$14,993
Federal	0	0
State	-5,295	-5,295
County	-2,270	-2,270
Reimbursements	-7,428	-7,428

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IHSS Plus Option (IPO) - Administration

DESCRIPTION:

In 2008, the federal Centers for Medicare and Medicaid Services (CMS) informed the California Department of Social Services (CDSS) that it would not renew the In-Home Supportive Services (IHSS) Independence Plus Waiver (IPW) following its July 31, 2009, expiration date. In an effort to continue providing the same services to this same population, as well as draw down federal financial participation (FFP), CDSS worked closely with the Department of Health Care Services (DHCS) to discuss options. As a result of the discussions, the Social Security Act section 1915(j) State Plan Option was identified as the only alternative which allowed for the continuation of services and ability to draw down FFP.

Following a CMS approved extension of the IPW until September 30, 2009, a Social Security Act section 1915(j) State Plan Option, titled the IHSS Plus Option (IPO), was implemented on October 1, 2009. The new IPO absorbed the IPW caseload and provides the same services plus an enhanced support system. The 1915(j) State Plan Option is based on person-centered planning and concepts of self-direction. It includes enhanced development of service plans and risk management, and a supports-broker/consultant component.

This premise reflects the costs for activities necessary to maintain compliance with 1915(j) requirements. Implementation of the IPO requires social workers (SWs) to be trained in the concepts and methods of being a supports-broker. SWs must also complete assessments of a risk management process for all recipients to be able to identify, mitigate and assume unmitigated risks. IPO service costs are included under the Personal Care Services Program (PCSP)/IPO/Residual IHSS Basic Costs premise.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2009.

KEY DATA/ASSUMPTIONS:

- Assembly Bill X4 4, (Chapter 4, Statutes of 2009-10, Fourth Extraordinary Session), Section 42, required the CDSS to develop a risk management form, with input from the counties and stakeholders representing recipients and providers, and to commence testing of the form in three representative counties no later than 90 days from the date of approval of the 1915(j) State Plan Option to assess the actual implementation costs of this program. To the extent that the actual implementation costs differ from the amount estimated in the budget, CDSS shall submit a revised budget to the Legislature based on actual costs to support statewide implementation.
- For the Risk Management Process, the estimate assumes twenty minutes of SW time to complete the initial assessment of the risk management process for all current and new PCSP/IPO and Residual program recipients. A phase-in of the initial assessment will occur over Fiscal Year (FY) 2009-10 and FY 2010-11 for all current IHSS recipients. For all ongoing assessments, 15 minutes of SW time is allotted to review and update the risk management process.
- The estimate assumes 252,992 of current recipients will receive their first risk management assessment during nine months of the Current Year (CY), and 63,293 in the Budget Year (BY), with no ongoing assessments.

IHSS Plus Option (IPO) - Administration

KEY DATA/ASSUMPTIONS (CONTINUED):

- For Supports Broker Training, the estimate assumes three hours of supports-broker training for each SW. Four training sessions will be needed in the CY at an assumed cost of $15,000 per session. Four training sessions will be needed in the BY at an assumed cost of $2,000 per session. One-time training development costs assumed at $30,000 in the CY. The estimate assumes a total of 2,250 active SWs statewide in the CY and 41 in the BY, with ten percent of SWs requiring training as part of ongoing requirement starting in the BY.
- This premise uses actual expenditures as reported on county administrative expense claims for the past four quarters to determine the Title XIX reimbursement percentage rate for administrative costs as applicable to federally eligible recipients. The Title XIX reimbursement percentage rate for the CY is 49.62 percent and 49.49 percent in the BY.
- Assumes the total caseload of IHSS recipients in the CY is 460,041, and in the BY is 63,239.
- Assumes the total number of SWs in the CY is 2,250, and 412 in the BY.
- Assumes the BY reflects the impact of the "Limit IHSS Services to Recipients with FI Score of 4.00 and Above" premise.
- Assumes a SW rate of $60.55 per hour.
- Assumes IPO service costs are expected to be the same as those under the IPW.
- The IPO absorbed the IPW caseload and provides the same services plus an enhanced support system for this same population.

METHODOLOGY:

- The cost for implementing the risk management process is determined by multiplying the amount of SW time required (20 minutes per initial assessment; 15 minutes per ongoing assessment), by the total number of IHSS recipients (current and new), by the SW rate for each fiscal year.
- The cost for training SWs is determined by multiplying the time needed to train all SWs by the SW rate. Ongoing training assumes ten percent of current SWs will enter the program as new SWs each year and will require training.

FUNDING:

This premise uses actual expenditures as reported on county administrative expense claims for the past four quarters to determine the Title XIX reimbursement percentage rate for administrative costs as applicable to federally eligible recipients. The Title XIX reimbursement percentage rate for the CY is 49.62 percent and 49.49 percent in the BY. The nonfederal share is split 70 percent General Fund and 30 percent county.

IHSS Plus Option (IPO) - Administration

CHANGE FROM THE APPROPRIATION:

The CY reflects a decrease in costs due to the rescission of sending a one-time notification of the elimination of the IPW and two month delay in implementation.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY change reflects a reduced caseload.

EXPENDITURES:

(in 000's)

Totals	2009-10 Admin.	2010-11 Admin.
Total	$5,387	$1,552
Federal	0	0
State	1,900	549
County	814	235
Reimbursements	2,673	768

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Provider Enrollment Statement Form/Process

DESCRIPTION:

This premise reflects the costs associated with revising the Provider Enrollment Statement Form (SOC 426) to bring it into compliance with the requirements of Welfare and Institutions Code (W&IC) section 12305.81, Senate Bill (SB) 1104 (Chapter 229, Statutes of 2004). The new compliant form indicates that a person shall not be eligible to provide or receive payment for providing supportive services for ten years following a conviction for, or incarceration following a conviction for fraud against a government health care or supportive services program. It also states that each person seeking to provide supportive services shall complete, sign under penalty of perjury, and submit to the county their completed SOC 426. This premise also includes costs associated with sending one-time notifications of provider enrollment deadlines to providers as part of the Anti-Fraud Initiative. Lastly, it includes various statements and declarations regarding:

- An applicant's criminal history regarding fraud against a government health care or supportive services program and corresponding penalties for enrollment as a provider, including the inability of supportive services providers to receive payment for providing supportive services,
- An agreement that providers reimburse the state for overpayments,
- Subdivision (a) of Section 273a of the Penal Code and Section 368 regarding crimes which cause harm, death, suffering, pain, or injury to children, elders or dependent adults, and
- A statement that a public authority or non-profit consortium shall exclude a provider from its registry if it is notified by the Department of Health Care Services (DHCS) that a supportive service provider is ineligible to receive payments under this chapter or under Medi-Cal law, and shall report to DHCS any determinations and/or findings that a registry provider is not eligible to provide supportive services.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 12305.81, SB 1104 (Chapter 229, Statutes of 2004).
- 385,000 In-Home Supportive Services (IHSS) providers will be phased-in during the Current Year (CY) and 23,232 IHSS providers will be enrolled during the Budget Year (BY).
- Ongoing enrollment of 15,000 new IHSS providers monthly.
- The Social Worker (SW) rate is $60.55 per hour.
- In bringing the Provider Enrollment Statement Form into compliance with W&IC section 12305.81, the counties will have additional responsibilities per associated tasks, including:
    - Fifteen minutes to mail and verify forms, copy documents/identifications, and schedule appointments for providers.
    - Ten minutes to resolve errors on forms, reschedule appointments and send reminders for appointments; this applies to 20 percent of providers.

Provider Enrollment Statement Form/Process

KEY DATA/ASSUMPTIONS (CONTINUED):

- Fifteen minutes to resolve issues for clients when a particular provider is ineligible; this applies to 20 percent of providers.

- 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.

- Five minutes for the new face-to-face provider enrollment requirement that provides notification to providers that have not yet submitted fingerprints or attended mandatory orientation; this applies to 25 percent of providers. This new requirement affects the CY only. This activity was added as part of the anti-fraud efforts.

- The BY reflects the impact of the "Limit IHSS Services to Recipients with FI Score of 4.00 and Above" premise.

METHODOLOGY:

The estimate is computed by summing the newly enrolled and phased-in supportive services providers, then applying the SW rate of pay, applicable time per activity, and percentage of providers impacted.

FUNDING:

- This premise uses actual expenditures as reported on county administrative expense claims for the past four quarters to determine the Title XIX reimbursement percentage rate for administrative costs as applicable to federally eligible recipients. The Title XIX reimbursement percentage rate for the CY is 49.62 percent and 49.49 percent in the Budget Year (BY).
- The nonfederal share is split 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

The CY increase is due to the new face-to-face provider enrollment requirement and the processing of all current providers during the CY.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease is due to completion of provider enrollment for all current providers in the CY and a decrease caseload.

Provider Enrollment Statement Form/Process

EXPENDITURES:

(in 000's)

	2009-10 Admin.	2010-11 Admin.
Total	$10,771	$473
Federal	0	0
State	3,798	167
County	1,628	72
Reimbursements	5,345	234

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IHSS Anti-Fraud Initiative – County DA/Activities

DESCRIPTION:

This premise reflects the administrative costs associated with the county district attorney activities premise which forms part of the In-Home Supportive Services (IHSS) Anti-Fraud Initiative. Together with three other administrative cost and one savings premise, these anti-fraud measures will enhance state and county efforts to prevent fraud, identify errors and overpayments, pursue collections, and detect and refer suspected incidences of fraud in the IHSS program.

The Budget Act of 2009 appropriated $10 million General Fund (GF) for the purpose of fraud prevention, detection, referral, investigation and additional program integrity efforts related to the IHSS program. If a county wishes to participate in this program, it must first submit a plan specifying how it intends to utilize the funding to enhance the integrity of the IHSS program. Counties must receive approval of this plan in order to receive a portion of the appropriated funds.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Assembly Bill X4 1 (Chapter 1, Statutes of 2009, Fourth Extraordinary Session)
- The California Department of Social Services shall allocate the sum of $10 million GF, for Fiscal Year (FY) 2009-10 and FY 2010-11, based on approved plans and utilizing a distribution method developed in consultation with the counties.
- The Current Year (CY) and the Budget Year (BY) reflect a full year of cost.
- This premise uses actual expenditures as reported on county administrative expense claims for the past four quarters to determine the Title XIX reimbursement percentage rate for administrative costs in FY 2010-11 as applicable to federally eligible recipients. The Title XIX reimbursement percentage rate for FY 2009-10 is 45.98 percent and for FY 2010-11 is 49.49 percent.
- The sum of $10 million GF ties to $28.3 million total funds (TF) in the CY and $26.4 million TF in the BY.

METHODOLOGY:

The sum of $10 Million GF was appropriated from the GF as an augmentation, and includes corresponding federal and county shares.

FUNDING:

The Title XIX reimbursement percentage rate for FY 2009-10 is 49.62 percent and 49.49 percent in FY 2010-11. The nonfederal share is split 70 percent GF and 30 percent county.

IHSS Anti-Fraud Initiative – County DA/Activities

CHANGE FROM THE APPROPRIATION:

The CY was held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY GF was held to the Appropriation while the Title XIX reimbursements reflect an updated reimbursement rate.

EXPENDITURES:

(in 000's)

	2009-10 Admin.	2010-11 Admin.
Total	$26,446	$28,286
Federal	0	0
State	10,000	10,000
County	4,286	4,286
Reimbursements	12,160	14,000

IHSS Anti-Fraud Initiative – County Investigations

DESCRIPTION:

This premise reflects the administrative costs associated county investigation measures which form part of the In-Home Supportive Services (IHSS) Anti-Fraud Initiative. Together with three other administrative cost and one savings premise, these anti-fraud measures will enhance state and county efforts to prevent fraud identify errors and overpayments, pursue collections, and detect and refer suspected incidences of fraud for the IHSS programs.

This premise reflects the costs associated with 78 county program integrity positions that will have the authority to monitor a recipient's receipt of services and investigate fraud in the IHSS program pursuant to the protocols of the IHSS anti-fraud measures. Activities aimed to protect program integrity include unannounced home visits; the review, analysis, and actions related to: criminal background record checks for provider enrollment, facilitation of new and existing provider orientations, tracking and reporting fraud data, and random review of timesheet fingerprints. The monitoring of program fraud in targeted cases may involve the visit of county investigators to the recipient's home to verify the receipt of appropriate services. The exact date and time of a home visit will not be announced to the supportive services recipient or provider. All coordinated activities to detect and prevent fraud by IHSS providers and recipients will be performed in accordance with federal and state laws and regulations.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12305.71.
- This estimate assumes that 78 county investigators will be conducting anti-fraud activities.
- Assumes that each county investigator will receive the Social Worker (SW) rate of $129,083 per year.
- This premise uses actual expenditures as reported on county administrative expense claims for the past four quarters to determine the Title XIX reimbursement percentage rate for administrative costs as applicable to federally eligible recipients. The Title XIX reimbursement percentage rate for the Current Year (CY) is 49.62 percent and 49.49 percent in the Budget Year (BY).
- The CY reflects eight months of cost and the BY reflects a full year of cost.

METHODOLOGY:

The estimated costs are computed by multiplying the total number of assumed county investigators by the SW rate and applying the appropriate months of cost for the CY and the BY.

FUNDING:

The Title XIX reimbursement percentage rate for the CY is 49.62 percent and 49.49 percent in the BY.

The nonfederal share is split 70 percent General Fund and 30 percent county.

IHSS Anti-Fraud Initiative – County Investigations

CHANGE FROM THE APPROPRIATION:

The decrease in the CY is due to a three month delay in implementation.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in the BY is due to a full year of cost.

EXPENDITURES:

(in 000's)

	2009-10 Admin.	2010-11 Admin.
Total	$6,712	$10,068
Federal	0	0
State	2,367	3,559
County	1,014	1,526
Reimbursements	3,331	4,983

IHSS Anti-Fraud Initiative – Related Activities

DESCRIPTION:

This premise reflects the administrative costs of various anti-fraud activities which form part of the In-Home Supportive Services (IHSS) Anti-Fraud Initiative. Together with three other administrative cost and one savings premise, these anti-fraud measures will enhance state and county efforts to prevent fraud identify errors and overpayments, pursue collections, and detect and refer suspected incidences of fraud for the IHSS programs.

The Related Activities premise reflects funding for targeted mailing, fraud training for county staff, mandatory orientation for all providers, and the review and processing of criminal records and appeals for terminated providers. As part of the IHSS Anti-Fraud Initiative, all prospective providers must complete a provider orientation at the time of enrollment to be an eligible IHSS provider. The California Department of Social Services (CDSS) will also develop a written appeal process for the current and prospective providers who are determined ineligible to receive payment for the provision of services in the IHSS program.

A temporary restraining order (TRO) was issued in the case of Mark Beckwith v. John A. Wagner, which limits the criminal convictions that would disqualify an individual from becoming an IHSS provider. The restraining order directs CDSS to stop using IHSS provider enrollment forms or other documents requiring individuals to declare that they never have been convicted of a felony crime or serious misdemeanor and/or state that persons convicted of such crimes are not eligible to be IHSS providers. CDSS must stop disqualifying or finding individuals ineligible to be IHSS providers on the basis that they have been convicted of a felony or a serious misdemeanor at some point in their life and who are otherwise not disqualified. The TRO has not eliminated or stopped the provider fingerprinting and criminal background check requirement.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12301.24, 12301.6, 12305.71, 12305.82 and 12305.86.
- The Current Year (CY) assumes that 505,000 current and new providers will be impacted.
- The Budget Year (BY) assumes that 23,232 new providers will be impacted.
- Assumes an annual cost of $35,000 General Fund (GF) for the targeted mailing and an annual cost of $50,000 GF for fraud training for county staff.
- Assumes the state will hold back $835,000 Total Funds (TF) in the CY and $52,000 TF in the BY for a contract to develop/translate/distribute a DVD/accompanying materials for training.
- Assumes 20 percent of the total impacted universe of providers will have a criminal record with that will require ten minutes of Social Worker (SW) time for review. Assumes 2.56 percent of the 20 percent of providers will have a non-exemptible crime and, as such, eight minutes of SW time to generate a notice to the provider.

IHSS Anti-Fraud Initiative – Related Activities

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes 4.1 percent of the total impacted universe of providers will have a follow-up criminal record review with a crime that that will require 10 minutes of SW time for review. Assumes 0.22 percent of the 4.1 percent of providers will have a non-exemptible crime and, as such, eight minutes of SW time to generate a notice to the provider.
- Assumes one hour of SW time for the review of an assumed 4.24 percent of the providers with non-exemptible crimes who will file an appeal.
- Assumes a SW rate of $60.55 per hour.
- This premise uses actual expenditures as reported on county administrative expense claims for the past four quarters to determine the Title XIX reimbursement percentage rate for administrative costs as applicable to federally eligible recipients. The Title XIX reimbursement percentage rate for the CY is 49.62 percent and 49.49 percent in the BY for costs associated with targeted mailings, fraud training for county staff and provider orientations.
- Costs for reviewing and processing criminal records and provider appeals of terminations are split 50 percent federal and 50 percent GF, with no county share.
- The CY will reflect eight months of cost and the BY will reflect a full year of cost.
- The BY reflects the impact of the “Limit IHSS Services to Recipients with FI Score of 4.00 and Above” premise.

METHODOLOGY:

The estimated costs are computed by adding the total cost associated with targeted mailings, fraud training for county staff, mandatory orientations for providers and the review and processing of criminal records and provider appeals of terminations, then applying the appropriate months of cost for the CY and the BY.

FUNDING:

- This premise uses actual expenditures as reported on county administrative expense claims for the past four quarters to determine the Title XIX reimbursement percentage rate for administrative costs as applicable to federally eligible recipients. The Title XIX reimbursement percentage rate for the CY is 49.62 percent and 49.49 percent in the BY for costs associated with targeted mailings, fraud training for county staff and provider orientations. The nonfederal share is split 70 percent GF and 30 percent county.
- Costs for reviewing and processing criminal records and provider appeals of terminations are split 50 percent federal and 50 percent GF, with no county share.

CHANGE FROM THE APPROPRIATION:

The decrease in the CY is due to a one month delay in implementation and the transfer of the cost of the face-to-face provider enrollment requirement, which is now being reflected in the “Provider Enrollment Statement Form/Process” premise.

IHSS Anti-Fraud Initiative – Related Activities

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the BY is due to a completed phase-in of all the current providers in the CY as well as a reduced provider caseload due to the impact of the service reduction.

EXPENDITURES:

(in 000's)

	2009-10 Admin.	2010-11 Admin.
Total	$5,378	$786
Federal	0	0
State	2,088	287
County	625	110
Reimbursements	2,665	389

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IHSS Anti-Fraud Initiative – Fingerprinting Recipients

DESCRIPTION:

This premise reflects costs associated fingerprinting In-Home Supportive Services (IHSS) recipients which forms part of the IHSS Anti-Fraud Initiative. Together with three other administrative cost and one savings premise, these anti-fraud measures will enhance state and county efforts to prevent fraud, identify errors and overpayments, pursue collections, and detect and refer suspected incidences of fraud for the IHSS programs.

The California Department of Social Services (CDSS), in consultation with the county welfare departments, will develop protocols and procedures for obtaining fingerprint images of all IHSS recipients. Any IHSS recipient whose initial client assessment occurs on or after April 1, 2010, will be fingerprinted at the same time of initial assessment by a social worker. Recipients that already receiving IHSS services on April 1, 2010, will be fingerprinted by a social worker during the recipient's next reassessment.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions code sections 12305.73.
- This premise includes costs associated with personnel, networking, training and site maintenance, establishing infrastructure, ongoing circuit costs, portable units on Statewide Fingerprinting Imaging System (SFIS) desktops which transmit data to the central unit, and management of remote stations, fingerprint ink and cards, and Polaroid cameras.
- Fingerprint ink, cards and Polaroid cameras will be used as an interim solution until rollout of handheld portable SFIS devices following thorough testing.
- The Current Year (CY) assumes 2,250 social workers (SW), and the Budget Year (BY) assumes 412 SW.
- The BY reflects the impact of the "Limit IHSS Services to Recipients with FI Score of 4.00 and Above" premise.

METHODOLOGY:

The CY and the BY estimated costs are computed by applying the number of SW to the one-time setup and ongoing costs.

FUNDING:

This premise is shared 54 percent General Fund (GF) and 46 percent Title XIX reimbursement, with no county share in the CY, and 51 percent GF, 49 percent Title XIX reimbursement in the BY, with no county share. (The BY fingerprinting costs are covered under the SFIS line under Item 141, and are included here for display purposes only.)

IHSS Anti-Fraud Initiative – Fingerprinting Recipients

CHANGE FROM THE APPROPRIATION:

The CY was held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY change reflects a decrease in IHSS SW as the result of the IHSS service reduction saving premise.

EXPENDITURES:

(in 000's)

	2009-10 Admin.	2010-11* Admin.
Total	$8,200	$5,650
Federal	0	0
State	4,430	2,900
County	0	0
Reimbursements	3,770	2,750

*The BY 2010-11 IHSS fingerprinting costs are covered in the SFIS line under Item 141, but are included here for display purposes only.

V.L. v. Wagner (County Admin)

DESCRIPTION:

This premise reflects the one-time county administrative costs for complying with a court injunction from the case of V.L., et al, v. John A. Wagner, et al., to halt implementation of the In-Home Supportive Services (IHSS) Cost Containment reduction, previously scheduled to go into effect on November 1, 2009.

On October 19, 2009, the United States District Court for the Northern California District of California issued a preliminary injunction that directed the California Department of Social Services to halt implementation of the IHSS service reduction provisions (Welfare and Institutions Code sections 12303 (e) and 12309.2) of Assembly Bill X4 4 (Chapter 4, Statutes of 2009, Fourth Extraordinary Session).

In order to implement this change as soon as possible prior to November 1, 2009, counties had to manually rescind the terminations on terminated cases and restore reduced hours on reduced cases.

For more information on the service reduction, see the IHSS Cost Containment premise description.

IMPLEMENTATION DATE:

This premise implemented October 19, 2009, per a preliminary injunction issued by the United States District Court for the Northern California District of California on that date.

KEY DATA/ASSUMPTIONS:

- Assumes the Social Worker (SW) rate of $60.55 per hour.
- Assumes 100 percent of SW time will be at the overtime rate of $90.83 per hour.
- Assumes 18 minutes of SW time per impacted recipient.
- Assumes 113,568 IHSS recipients will be impacted.
- Assumes this is a one-time cost reflected in the Current Year only.

METHODOLOGY:

The estimate is computed by multiplying the SW time by the impacted population by the SW overtime rate.

FUNDING:

- This premise uses actual expenditures as reported on county administrative expense claims for the past four quarters to determine the Title XIX reimbursement percentage rate for administrative costs as applicable to federally eligible recipients. The Title XIX reimbursement percentage rate for Fiscal Year (FY) 2009-10 is 49.62 percent.
- The nonfederal share is 100 percent General Fund, with no county share.

V.L. v. Wagner (County Admin)

CHANGE FROM THE APPROPRIATION

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a one-time cost in FY 2009-10 only.

EXPENDITURES:

(in 000's)

PCSP/IPO/Residual	2009-10 Admin.	2010-11 Admin.
Total	$3,094	$0
Federal	0	0
State	1,559	0
County	0	0
Reimbursements	1,535	0

Eligibility Income Adjustment

DESCRIPTION:

This premise reflects the costs associated with the eligibility income adjustment for certain In-Home Supportive Services (IHSS) recipients. Assembly Bill 2779 (Chapter 329, Statutes of 1998), allows the California Department of Social Services (CDSS) to buy down IHSS Personal Care Services Program (PCSP) recipients' share of cost (SOC) from the higher Medi-Cal SOC level to the lower IHSS level. The Medi-Cal SOC is determined by taking the countable income of the Medi-Cal family unit and subtracting a maintenance allowance of $600 (medically needy). The IHSS SOC is determined by taking the countable income of the individual recipient, and subtracting the Supplemental Security Income/State Supplementary Payment (SSI/SSP) payment standard. Senate Bill 68 (Chapter 78, Statutes of 2005) extended the SOC buyout to include IHSS Independence Plus Waiver (IPW) program participants. The eligibility income adjustment applies to those recipients for whom Medi-Cal eligibility has been determined. The premise's titled Cap the SOC Buyout Enrollment and Eliminate SOC Buyout are now reflected in this premise.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12305.1 and 14132.95.
- Assumes the SOC caseload was capped at the July 1, 2009, level.
- Assumes the SOC program was eliminated October 1, 2009.
- Based on the three months of actual data (July 2009 through September 2009), there was an average of 8,176 SOC recipients per month with an average monthly buyout of $355.
- The Current Year (CY) assumes three months of actual cost based on the capped caseload and elimination of the program.
- The Budget Year (BY) assumes zero cost.

METHODOLOGY:

This estimate is calculated using actual costs of cases through September 30, 2009.

FUNDING:

This premise is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The CY reflects three months of payments.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects the October 1, 2009, elimination of the program.

Eligibility Income Adjustment

Expenditures:

(in 000's)

PCSP/IPO	2009-10	2010-11
Total	$8,720	$0
Federal	0	0
State	8,720	0
County	0	0
Reimbursements	0	0

Foster Care & NAFS Administrative Costs – Basic

DESCRIPTION:

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

The FC administrative costs include the county administration for the Adoption Assistance Program (AAP). County eligibility workers are required to perform administrative functions related to AAP. Specifically, verification of linkage to the Temporary Assistance for Needy Families (TANF) program (formerly Aid to Families with Dependent Children program) is required for all new AAP cases to establish federal or nonfederal eligibility. Linkage is based on the child's situation at the time of removal from the natural home. The child must meet the general eligibility requirements for TANF and qualify as either a federal or state-only foster care case. Recertification is also required on an annual basis.

IMPLEMENTATION DATE:

This premise is an annual appropriation.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 14154.
- The FC estimate for the non-Title IV-E Waiver counties in FY 2009-10 is being held at the Budget Act of 2009 Appropriation level. Base funding for FC Administrative Costs Basic for FY 2010-11 is $48 million.
- The non-Title IV-E Waiver FC caseload growth projection for FY 2009-10 is -5.1 percent and for FY 2010-11 is -4.0 percent.
- The Staff Development costs for FC are $745,458 for FY 2009-10 and FY 2010-11, based on the last four quarters of actual expenditures.
- The AAP costs of $16 million for FY 2009-10 and FY 2010-11 are based on the last four quarters of actual expenditures.
- Contract costs for FC are $143,000 for FY 2009-10 and FY 2010-11.
- The NAFS Administrative Costs base funding is $693.1 million in FY 2009-10 and $867.8 million in FY 2010-11.
- The NAFS caseload growth projection is 25.2 percent in FY 2009-10 and 17.1 percent in FY 2010-11.

Foster Care & NAFS Administrative Costs – Basic

KEY DATA/ASSUMPTIONS (CONTINUED):

- Staff development costs for NAFS are $8.7 million for FY 2009-10 and FY 2010-11, based on Calendar Year 2008 actual expenditures.
- Statewide Automated Welfare System Development and Testing Interface (SAWS) costs for NAFS are $230,113 for FY 2009-10 and FY 2010-11, based on updated expenditures.
- Contract costs for NAFS are $3.3 million for FY 2009-10 and FY 2010-11.
- The Merced Automated Global Information Control (MAGIC) system administrative costs for NAFS and FC are $97,206 and $7,776, respectively for both FY 2009-10 and FY 2010-11.
- Savings from Legacy System data collection and quality control systems for NAFS are $3.9 million for FY 2009-10 and FY 2010-11. Savings from Legacy System data collection and quality control systems for FC are $505,000 for FY 2009-10 and FY 2010-11.

METHODOLOGY:

The NAFS and FC non-Title IV-E Waiver counties basic funding are adjusted to reflect caseload growth and updated premises. Staff development expenditures, the MAGIC system, and contract costs were added to both the NAFS and FC estimates. AAP administrative expenditures were also added to the FC estimate.

FUNDING:

FC and NAFS costs are shared 50 percent federal, 35 percent General Fund, and 15 percent county.

Note: W&IC section 15204.4 requires MOE from the counties based on expenditures during FY 1996-97, which include the administration of food stamps. Please reference the "County MOE Adjustment" premise.

CHANGE FROM THE APPROPRIATION:

For FC, the Current Year (CY) is held to the Appropriation.

The increase in NAFS basic for the CY is associated with the increased projected caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year (BY) FC decrease is based on actual expenditures.

The NAFS basic increase for BY is associated with projected NAFS caseload growth.

Foster Care & NAFS Administrative Costs – Basic

EXPENDITURES:

(in 000's)

Foster Care	2009-10 County Admin.	2010-11 County Admin.
Total	$65,303	$63,018
Federal	36,270	35,664
State	22,789	21,588
County	6,244	5,766
Reimbursements	0	0

NAFS	2009-10 County Admin.	2010-11 County Admin.
Total	$876,240	$1,024,682
Federal	439,735	514,243
State	330,842	386,826
County	105,663	123,613
Reimbursements	0	0

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Foster Care Reforms

DESCRIPTION:

The California Department of Social Services implemented the annual redetermination of eligibility for foster care grants, resulting in the Current Year (CY) savings of $5.9 million and the Budget Year (BY) savings of $5.8 million.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2004.

KEY DATA/ASSUMPTIONS:

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

The estimate assumes a 20 percent reduction in continuing caseload eligibility costs as a result of reducing the redetermination requirement from every 6 months to every 12 months.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act for cases meeting eligibility criteria, with the level of FFP based on the FMAP rate. Funding for the nonfederal share of federal program costs and for cases not meeting federal eligibility criteria is 40 percent General Fund and 60 percent county funds.

CHANGE FROM THE APPROPRIATION:

The CY is held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decreased savings are the result of lower FC caseloads and expenditures.

ADMINISTRATIVE:

(in 000's)	2009-10	2010-11
Total	-$5,904	-$5,751
Federal	-3,323	-3,335
State	-1,815	-1,699
County	-766	-717
Reimbursements	0	0

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Food Stamp Administrative Reduction

DESCRIPTION:

This premise reflects the reduction in federal reimbursement of California's food stamp administrative costs based on amounts charged to the former Aid to Families with Dependent Children (AFDC) program that could have been allocated to the Food Stamp and Medi-Cal programs for common administrative costs. Section 502 of the Agriculture Research, Extension, and Education Reform Act of 1998 [Public Law (P.L.) 105-185] required states to determine such common administrative costs during their Temporary Assistance for Needy Families (TANF) program base year, Federal Fiscal Year (FFY) 1995.

The TANF block grant, which replaced the AFDC program, is based on the historical spending levels of the former program. The federal Office of Management and Budgets (OMB) cost principles applicable to the states (OMB Circular A-87) required that common costs be allocated to all benefiting programs. Consequently, California had to determine the amount of common costs attributable to eligibility determinations charged to AFDC that could have been allocated to the Food Stamp program. In order to assist in this process, the federal Department of Health and Human Services (DHHS) issued a guide entitled, "Implementation of Cost Allocation Determinations under the Agriculture Research, Extension and Education Reform Act." This guide provided direction to the states in determining their AFDC total base year administrative expenditures. California reviewed the base year's cost allocation methodology and the administrative costs charged to the AFDC program. The California Department of Social Services used a primary program cost allocation methodology rather than a benefiting program cost allocation methodology for the county administrative costs during the TANF block grant base year, FFY 1995. As a result, California received federal approval of its proposed reduction amount on January 15, 1999.

The amount attributable to the Food Stamp program is to be deducted from the food stamp administrative claims. The provisions of P.L. 105-185 stipulate that states may not use TANF funds to pay for this reduction, nor does it provide for a decrease in the maintenance of effort expenditures under TANF.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: P.L. 105-185, section 502.
- Based on a review of quarterly federal financial reports submitted to DHHS during FFY 1995, the total federal share of common administrative expenditures was $280,097,927.
- Non-AFDC program administrative costs and discrete AFDC costs, as defined in the guide, were identified in quarterly federal financial reports. These costs, as well as other allowable adjustments stipulated in the guide, totaled $59,412,705 and were deducted from the total federal share of common administrative expenditures.
- California's AFDC total base year administrative expenditure is $220,685,222.

Food Stamp Administrative Reduction

METHODOLOGY:

- California elected to use the optional formula described in the guide to determine the amount of the food stamp administrative reimbursement reduction. The optional formula is to multiply the AFDC total base year administrative expenditure by 80 percent and divide by three (for the three benefiting programs of AFDC, Food Stamp, and Medi-Cal).
- California's Food Stamp administrative reimbursement reduction is $58,849,393 ($220,685,222 x 0.80 ÷ 3).
- The TANF block grant has been reauthorized at the same level, therefore California will continue to reflect the reduction to the Food Stamp administrative claims.

FUNDING:

The cost is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$0	$0
Federal	-58,849	-58,849
State	58,849	58,849
County	0	0
Reimbursements	0	0

Food Stamp Employment and Training Program

DESCRIPTION:

This premise reflects the costs for the Food Stamp Employment and Training (FSET) program, which provides job search assistance, work experience and supportive services to eligible Non-Assistance Food Stamp program recipients. This program was established under the Food Security Act of 1985 (Public Law [P.L.] 99-198). Employment and training opportunities enable recipients to become self-sufficient and reduce their need for food stamps. Some participants are geographically excluded due to reasons such as sparse population, great distances and lack of transportation. Individual county plans are developed that specify the job services, training and supportive services available to participants.

The United States Department of Agriculture Food and Nutrition Service (FNS) provide unmatched federal employment and training funding each year. The Food Stamp Reauthorization Act of 2002 (P.L. 107-171), signed into law on May 13, 2002, and effective October 1, 2002, made significant changes to the FSET program. The changes include freezing the base unmatched federal funds at the Federal Fiscal Year (FFY) 2002 level through FFY 2007, adding certain criteria for a second component of unmatched federal funds each year from FFY 2002 through FFY 2007, eliminating a maintenance of effort requirement retroactive to October 1, 2001, rescinding carry-over of unmatched federal funds from years prior to FFY 2002 (unless states have already obligated the funds prior to the date of enactment), and changing the federal formula for allocating FSET funds to states. In addition, the legislation eliminated a $175 and $30 limit for offered and filled slots, a $25 limit on participant reimbursement for transportation and ancillary costs and an 80/20 spending requirement for Able Bodied Adult Without Dependents in qualifying FSET activities.

Beginning in Fiscal Year (FY) 2008-09, California expanded its FSET program to include a new education and training (E&T) component called FSET Third Party Reimbursement (also known as Cal Success). Counties that choose to offer Cal Success will be required to enter into contracts with their local community college to provide allowable E&T services to FSET participants. In FFY 2009, Cal Success will be operative as pilot projects in San Mateo, Santa Clara, and Santa Cruz counties.

IMPLEMENTATION DATE:

This premise implemented on April 1, 1987.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18901.
- There are 24 counties participating in the FSET program.
- The FY 2009-10 funding for this program is based on local assistance costs identified in the approved FSET program State Plans for FFY 2009 and FFY 2010.
- The FY 2010-11 funding for this program are based on the local assistance costs identified in the proposed FSET program State Plan for FFY 2010.

Food Stamp Employment and Training Program

KEY DATA/ASSUMPTIONS(CONTINUED):

- It is assumed that costs in excess of the 100 percent federal grant would be shared 50 percent federal and 50 percent county.
- Funding in the amount of $2.3 million in FY 2009-10 and $2.6 million in FY 2010-11 will be available to fund the Cal Success pilot program.

METHODOLOGY:

- The FY 2009-10 funding level represents 25 percent of the total amount of the approved FFY 2009 FSET program State Plan and 75 percent of the total amount of the approved FFY 2010 FSET program State Plan.
- The FY 2010-11 funding level represents 100 percent of the amount in the FFY 2010 FSET program State Plan.

FUNDING:

The costs in excess of the 100 percent federal funds are shared 50 percent federal and 50 percent county.[1]

2009-10: (in 000's)	**Total**	**Federal**	**State**	**County**
100 percent Federal Funds	$5,882	$5,882	$0	$0
Administration Overmatch [1]	$58,687	$29,603	$0	$29,084
Participant Reimbursement	$17,939	$9,074	$0	$8,865
Cal Success	$2,310	$1,155	$0	$1,155
Total	**$84,818**	**$45,714**	**$0**	**$39,104**

2010-11: (in 000's)	**Total**	**Federal**	**State**	**County**
100 percent Federal Funds	$5,915	$5,915	$0	$0
Administration Overmatch [1]	$59,290	$29,991	$0	$29,299
Participant Reimbursement	$18,180	$9,229	$0	$8,951
Cal Success	$2,640	$1,320	$0	$1,320
Total	**$86,025**	**$46,455**	**$0**	**$39,570**

[1] Administration Overmatch funds are used once costs exceed the 100 percent federal funds and participant reimbursement funds.

CHANGE FROM THE APPROPRIATION:

FY 2009-10 and FY 2010-11 costs were updated to reflect federally approved funding levels for FFY 2010. Cal Success funding was updated to reflect the federally approved funding level for FY 2009-10 and FY 2010-11.

Food Stamp Employment and Training Program

REASON FOR YEAR-TO-YEAR CHANGE:

The BY change reflects the full funding level for FFY 2010. Cal Success funding is increased to account for the continuance of the pilot program.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$84,818	$86,025
Federal	45,714	46,455
State	0	0
County	39,104	39,570
Reimbursements	0	0

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California Nutrition Network

DESCRIPTION:

This premise reflects the amount of federal matching funds that the California Department of Social Services (CDSS) passes through to the Department of Health Care Services (DHCS). The California Nutrition Network is a statewide marketing campaign to promote healthy eating and physical activity among food stamp recipients. The Network is a collaborative effort among DHCS, CDSS, California Department of Education, University of California Cooperative Extension, and private agencies. The California Nutrition Network partners with faith communities, local health departments, parks and recreation departments, and school districts. DHCS is the lead agency administering the project. CDSS serves as the pass-through agency for the matching federal funds.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1996.

KEY DATA/ASSUMPTIONS:

- The approved funding from the Food and Nutrition Service (FNS) for Federal Fiscal Year (FFY) 2010 of $116,348,612 was used to estimate funding for the Current Year (CY).
- The Budget Year (BY) assumes continuation of the CY funding level.

METHODOLOGY:

- The CY estimate is based on the approved funding for FFY 2010.
- The BY estimate is based on the CY funding level.

FUNDING:

The pass-through consists of 100 percent FNS federal funds.

CHANGE FROM THE APPROPRIATION:

The increase in the CY reflects updated contract amounts.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

California Nutrition Network

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$116,349	$116,349
Federal	116,349	116,349
State	0	0
County	0	0
Reimbursements	0	0

UC Food Stamp Nutrition Education Plan

DESCRIPTION:

This premise reflects the amount of federal matching funds that the California Department of Social Services (CDSS) passes through to the University of California Cooperative Extension (UCCE) for California's Food Stamp Nutrition Education Plan, which is a cooperative effort between CDSS and UCCE. Food Stamp applicants and recipients will be provided nutrition education services in 41 counties by local university county extension offices. CDSS serves as the pass-through agency for the matching federal funds.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1995.

KEY DATA/ASSUMPTIONS:

- The CDSS budget approved by the Food and Nutrition Service (FNS) for Federal Fiscal Year (FFY) 2010 of $7,054,539 was used to estimate funding for the Current Year (CY).
- The Budget Year (BY) assumes continuation of the CY funding level.

METHODOLOGY:

- The CY estimate is based on the approved funding for FFY 2010.
- The BY estimate is based on the CY funding level.

FUNDING:

The pass-through consists of 100 percent FNS federal funds.

CHANGE FROM THE APPROPRIATION:

The increase reflects updated contract amounts.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$7,055	$7,055
Federal	7,055	7,055
State	0	0
County	0	0
Reimbursements	0	0

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Face-to-Face Waiver

DESCRIPTION:

This premise will streamline the application process and improve the administrative efficiency of the Food Stamp Program (FSP) by waiving the requirement for a face-to-face interview at application for all Non-Assistance Food Stamps (NAFS) households. Counties will have the option to conduct a telephone or other out of office interview in lieu of a face-to-face interview at application for NAFS households. This waiver is expected to increase FSP participation in households where work is a barrier to applying for benefits.

The United States Department of Agriculture (USDA), Food and Nutrition Services (FNS) issued an administrative notice informing states that a waiver of the face-to-face interview at application for all NAFS households is available upon request. Therefore, California has requested authorization to waive the face-to-face intake interview for all NAFS households.

IMPLEMENTATION DATE:

This premise assumes a November 1, 2009 implementation date.

KEY DATA/ASSUMPTIONS:

- The face-to-face interview waiver is estimated to result in additional FSP households where the single head of the household and couples are working at least 20 hours per week.
- It is assumed that all counties will utilize the face-to-face waiver.
- Based on the Federal Fiscal Year (FFY) 2008 Food Stamp Characteristics Survey Data (Q5), there are currently 67,759 single head of household or couple headed households that are working between 20 and 30 hours per week.
- It is assumed that the households eligible for this waiver are considered part of the working poor population. Based on the USDA *State Food Stamp Participation Rates in 2005* report issued in October 2007, 34 percent of the working poor population participated in the FSP.
- It is assumed that 67,759 households represent the 34 percent of the working poor population that participate in the FSP.
- It is assumed that removing the face-to-face waiver requirement would result in the working poor participating at a rate more consistent to the rest of the food stamp population. Based on the USDA *State Food Stamp Participation Rates in 2005* report issued in October 2007, 50 percent of the total eligible food stamp households in California participated in the FSP.
- It is assumed that by removing the face-to-face interview requirement, the participation of this group will increase to 42 percent.
- The additional cases will be phased in over the first twelve months. This results in approximately 1,500 new cases being added to the caseload each month for the first twelve months.

Face-to-Face Waiver

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on FFY 2007 Q5 Data, working NAFS households are estimated to have an average food stamp benefit amount of $332.80. This amount takes into consideration the April 1, 2009 food stamp benefit increase of 13.6 percent as indicated by the American Recovery and Reinvestment Act (ARRA) of 2009. This benefit impact is reflected in the ARRA – 13.6 Percent Benefit Increase premise.
- It is assumed that the intake cost for an Eligibility Worker (EW) to process new NAFS and the California Food Assistance Program (CFAP) cases is $51.00 per case.
- It is assumed that the cost for an EW to process NAFS and CFAP continuing cases on a quarterly basis is $39.33 per case.
- It is assumed that 7.20 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost for an EW to process a mid-quarter report is $28.23.
- Based on Calendar Year 2008 actual reported CFAP and FS caseloads, the CFAP caseload consists of approximately one percent of the FS caseload.
- The impact of any administrative efficiency resulting from this premise is assumed to mitigate the NAFS administrative reduction premise.

METHODOLOGY:

- The monthly administrative costs associated with processing the new cases are calculated by multiplying the new monthly cases by $51.00. After the phase in period, it is estimated that approximately four percent of the caseload will leave monthly and four percent will enter monthly.
- The monthly administrative costs associated with processing the mid-quarter changes for the new cases are calculated by multiplying the new cumulative cases by 7.20 percent and by $28.23.
- The quarterly administrative costs associated with processing the quarterly reports are calculated by multiplying the new cumulative cases by $39.33 on a quarterly basis.
- The CFAP coupon costs associated with the new cases are calculated by multiplying the related caseload by the average CFAP coupon cost.
- CFAP coupon costs are reduced by $61,661 in the FY 2010-11 to account for the 13.6 percent benefit increase from the ARRA. These coupon costs are included in the ARRA – 13.6 Percent Benefit Increase premise.

Face-to-Face Waiver

FUNDING:

The FSP sharing ratio for the administrative cost is 50 percent federal and 50 percent General Fund (GF). The CFAP funding is 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The change in the FY 2009-10 is due to the revised implementation from July 1, 2009 to November 1, 2009.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase is due to the full 12 month implementation.

EXPENDITURES:

(in 000's)

101 - CFAP Grants	2009-10	2010-11
Total	$147	$392
Federal	0	0
State	147	392
County	0	0
Reimbursements	0	0

141 - CFAP Administration	2009-10	2010-11
Total	$7	$31
Federal	0	0
State	7	31
County	0	0
Reimbursements	0	0

Face-to-Face Waiver

141 - Food Stamp Administration	2009-10	2010-11
Total	$772	$3,054
Federal	386	1,527
State	386	1,527
County	0	0
Reimbursements	0	0

NAFS Administration Reduction

DESCRIPTION:

The Food Stamp program is the nation's largest nutrition program for low-income households. The program provides benefits to low-income Californians via electronic debit cards that participants may use to buy food from eligible retailers. This premise reflects a reduction of $21.0 million to county allocations for the administration of the federal Non-Assistance Food Stamp (NAFS) program.

IMPLEMENTATION DATE:

This reduction proposal implemented with the passage of the 2008 Budget Act.

KEY DATA/ASSUMPTIONS:

- County allocations for the administration of the federal NAFS program are to be reduced by $21.0 million in Fiscal Year (FY) 2009-10 and FY 2010-11.
- The California Department of Social Services is committed to pursuing strategies to mitigate this impact on counties by improving the application process (e.g. face-to-face waiver and streamlining the recertification process).
- The 2008 Budget Act reduced county administration funding for a variety of programs as part of an overall compromise, and the reduction in NAFS administration funding is necessary due to the ongoing statewide fiscal challenges.

METHODOLOGY:

This premise reflects a $21.0 million reduction in NAFS administration allocations for FY 2009-10 and FY 2010-11.

FUNDING:

The reductions are reflected as federal and General Fund savings.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

NAFS Administration Reduction

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	-$20,976	-$20,976
Federal	-12,339	-12,339
State	-8,637	-8,637
County	0	0
Reimbursements	0	0

American Recovery and Reinvestment Act of 2009 Non Assistance Food Stamps Administration

DESCRIPTION:

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

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

The ARRA makes approximately $22 million available for California in the Food Stamp program (federally referred to as Supplemental Nutritional Assistance Program, or SNAP) for use over two years. The funds can be spent on any eligible Food Stamp administration costs. The ARRA provides California approximately $10.8 million dollars to be used in Federal Fiscal Year (FFY) 2009 and $10.9 million in FFY 2010.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The federal ARRA of 2009

- Approximately $10.8 million is available in FFY 2009 and $10.9 million in FFY 2010.

- In the FFY 2009, the amount of $474,000 is set aside to fund the C4Yourself Project.

- In the FFY 2010, the amount of $512,046 is set aside to fund the C4Yourself Project. In FFY 2010 an additional amount of $54,536 is deducted to assume a 0.5 percent allocation to CDSS to cover state ARRA related administrative costs.

- The state and counties, including the County Welfare Directors Association, have been discussing the optimal use of the funds to assist the counties in achieving administrative simplicity while mitigating some of the challenges resulting from increasing caseloads and shrinking resources. Please refer to the Food Stamp Simplification Automation Project (ARRA Funds) and ARRA NAFS Admin Savings premises for additional detail.

- As authorized by the federal Office of Management and Budget (OMB), a portion of the funding received under the ARRA will be used to provide support for the California Recovery Task Force (CRTF) and for the ARRA oversight and administrative activities of the various departments administering those funds. Pursuant to Executive Order S-02-09, CRTF is charged with tracking the ARRA funding coming into the state; helping cities, counties, non-profits, and others access the available funding; ensuring that the funding provided to the state is spent efficiently and effectively; and maintaining a web site that is frequently and thoroughly updated so Californians can track the stimulus dollars.

American Recovery and Reinvestment Act of 2009 Non Assistance Food Stamps Administration

KEY DATA/ASSUMPTIONS (CONTINUED):

The mechanism for accessing these federal funds and for allocating them to the CRTF and state entities administering ARRA funds is under development and is not available to include in this estimate. Consequently, a future Section 28.00 request may be submitted in the coming months to properly increase the department's federal funds reimbursement authority to fund the cost of accountability and related administrative and transparency activities.

FUNDING:

The funding for this premise is 100 percent federal funds.

CHANGE FROM THE APPROPRIATION:

The Appropriation included the ARRA funds for both FFY 2009 and FFY 2010.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects the projected amount to be received for FFY 2010.

EXPENDITURES:

(in 000's)	2009-10	2010-11
	County Admin.	County Admin.
Total	$10,321	$10,341
Federal	10,321	10,341
State	0	0
County	0	0
Reimbursements	0	0

American Recovery and Reinvestment Act (ARRA) of 2009 Non Assistance Food Stamps Administration - Savings

DESCRIPTION:

This premise reflects the savings associated with backfilling Non Assistance Food Stamps (NAFS) Administrative costs with ARRA funds. The ARRA of 2009 is a multi-year, federal economic stimulus program.

The ARRA makes approximately $22 million available for California in the Food Stamp Program (federally referred to as Supplemental Nutritional Assistance Program, or SNAP) for use over two years. The funds can be spent on any eligible Food Stamp administration costs. The ARRA provides California approximately $10.8 million dollars to be used in Federal Fiscal Year (FFY) 2009 and $10.9 million in FFY 2010. Please refer to the ARRA NAFS Administration premise for more detail.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- In Fiscal Year (FY) 2009-10 and FY 2010-11 food stamp administration funds have been replaced with the FFY 2009 ARRA funds received in FFY 2009 and FFY 2010.
- The General Fund (GF) freed up as a result of the ARRA funds will be used to fund automation projects proposed by the consortia and approved by the California Department of Social Services. These projects will generate efficiencies in the Food Stamp Program.

FUNDING:

The food stamp sharing ratio for the administrative cost is 50 percent federal funds, 35 percent GF, and 15 percent county funds.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year (BY) reflects the projected amount to be received for FFY 2010.

American Recovery and Reinvestment Act (ARRA) of 2009 Non Assistance Food Stamps Administration - Savings

EXPENDITURES:

(in 000's)	2009-10	2010-11
	County Admin.	County Admin.
Total	-$10,321	-$10,341
Federal	-5,161	-5,171
State	-3,612	-3,619
County	-1,548	-1,551
Reimbursements	0	0

Food Stamp Nutrition Education Plan Shift to the California Department of Social Services

DESCRIPTION:

This premise references the amount of federal reimbursement funds that the California Department of Social Services (CDSS) passes through to the Department of Health Care Services (DHCS). CDSS passes these reimbursement funds to DHCS through the California Nutrition Network and the UC Food Stamp Nutrition Education Plan premises. Consistent with the Governor's signing message for Assembly Bill (AB) 433, this premise holds back a portion of the pass-through funds to finance the Expanded Categorical Eligibility for Food Stamps provision of AB 433.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

The Governor, upon signing AB 433, directed the use of these reimbursement funds to finance the Expanded Categorical Eligibility for Food Stamps provision of AB 433.

METHODOLOGY:

The total transfer of reimbursement funds in the Fiscal Year (FY) 2009-10 is $8.5 million. This represents $6.8 million for the General Fund portion of county administrative costs and $1.7 million for California Food Assistance Program (CFAP) coupon and administrative costs. Please see the Categorical Eligibility for Food Stamps premise for a description of how these costs were calculated. The FY 2010-11 reflects caseload growth.

FUNDING:

The pass-through consists of 100 percent Food and Nutrition Service federal reimbursement funds.

CHANGE FROM THE APPROPRIATION:

The increase is related to caseload increase due to the inclusion of individuals.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is associated with full implementation and projected increase in caseload.

EXPENDITURES:

(in 000's)	2009-10	2010-11
	CFAP Coupons	CFAP Coupons.
Total	$0	$0
Federal	0	0
State	-1,716	-2,540
County	0	0
Reimbursements	1,716	2,540

Food Stamp Nutrition Education Plan Shift to the California Department of Social Services

EXPENDITURES (CONTINUED):

(in 000's)	2009-10 County Admin.	2010-11 County Admin.
Total	$0	$0
Federal	0	0
State	-6,663	-8,995
County	0	0
Reimbursements	6,663	8,995

	2009-10 CFAP Admin.	2010-11 CFAP Admin.
Total	$0	$0
Federal	0	0
State	-133	-180
County	0	0
Reimbursements	133	180

Refugee Cash Assistance – Administration

DESCRIPTION:

This premise reflects the costs necessary to perform the administrative functions of the Refugee Cash Assistance (RCA) program. The RCA program provides cash grants to refugees during their first eight months in the United States (U.S.) if they are not otherwise eligible for the standard categorical welfare programs. RCA administrative costs include salaries and benefits of eligibility workers and first line supervisors who determine eligibility and provide ongoing case management for the RCA program. Also included are allocated overhead and direct costs.

IMPLEMENTATION DATE:

This premise implemented on March 17, 1980.

KEY DATA/ASSUMPTIONS:

- Section 1522 of Title 8 of the United States Code (U.S.C.) authorizes the federal government to provide grants to the states to assist refugees who resettle in the U.S.
- Sections 13275 through 13282 of the Welfare and Institutions Code authorize the California Department of Social Services to administer the funds provided under Title 8 of the U.S.C. It also provides the Department authority to allocate the federal funds to the counties.
- Based on data through June 2009, the average administrative monthly cost per RCA case was approximately $63.35.
- The average monthly caseload for Fiscal Year (FY) 2009-10 and for FY 2010-11 is estimated at 3,000 cases.

METHODOLOGY:

The average cost per case for RCA administration is multiplied by the estimated caseload for each fiscal year to arrive at the total cost.

FUNDING:

This program is 100 percent federally funded by the Cash, Medical and Administration Grant through the Office of Refugee Resettlement.

CHANGE FROM THE APPROPRIATION:

The Current Year and Budget Year administration costs increased due to a higher average monthly caseload than previously projected but the increase is partially offset by a lower average administrative monthly cost per RCA case.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Refugee Cash Assistance – Administration

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$2,281	$2,281
Federal	2,281	2,281
State	0	0
County	0	0
Reimbursements	0	0

TANF Reauthorization/CalWORKs Reform Efforts

DESCRIPTION:

This premise reflects the automation reprogramming costs associated with program changes made in response to the federal Deficit Reduction Act (DRA) of 2005, which reauthorized the Temporary Assistance for Needy Families (TANF) program. In addition to TANF Reauthorization, the DRA implements a new requirement for documentation of citizenship/national status and identity for Medi-Cal eligibility. Counties must ensure that the Medi-Cal record includes satisfactory evidence of United States (U.S.) citizenship or U.S. national status and identity for all Medi-Cal applicants and beneficiaries who have declared that they are U.S. citizens or nationals.

Prior to the enactment of the DRA, documentary evidence to establish U.S. citizenship or U.S. national status was not required for Medi-Cal eligibility unless an applicant declared a birthplace outside the U.S., or if evidence suggested an applicant falsely claimed to be a U.S. citizen or U.S. national. Automation reprogramming is required to support the enhanced documentation requirements for the Medi-Cal program.

Chapter 4 and Chapter 8, Statutes of 2009 Fourth Extraordinary Session, Assembly Bill (AB) X4 4 and ABX4 8 include short-term and long-term California Work Opportunity and Responsibility to Kids (CalWORKs) reform measures that will implement in Fiscal Year (FY) 2009-10 (ABX4 4 short-term) and FY 2011-12 (ABX 4 8 long-term). As a result, automation changes are needed to support the associated changes to the CalWORKs program.

IMPLEMENTATION DATE:

Funding for TANF Reauthorization automation reprogramming was included for FY 2008-09. The enactment date for the CalWORKs Reform Efforts was July 28, 2009 and the implementation date is July 1, 2011.

KEY DATA/ASSUMPTIONS:

- The federal DRA of 2005 established enhanced citizenship verification requirements for current and new Medi-Cal applicants.
- Based on information received from the Office of Systems Integration (OSI) it was assumed that it would cost $1.2 million in FY 2008-09 and $0.3 million in FY 2009-10 to complete the implementation of the automation changes associated with the new citizenship documentation requirements for Medi-Cal pursuant to the federal DRA of 2005.
- An additional $2.4 million is included in FY 2009-10 as placeholder funding to reprogram existing systems to implement the proposed CalWORKs program changes.
- An additional $4.8 million is included in FY 2010-11 to reprogram existing systems to implement the long-term CalWORKs Reform Efforts associated with ABX4 8.

METHODOLOGY:

The costs associated with the reprogramming of existing automated systems to support the proposed CalWORKs program changes and the completion of the reprogramming needed for the citizenship documentation changes are estimated to be $2.75 million.

TANF Reauthorization/CalWORKs Reform Efforts

METHODOLOGY (CONTINUED):

The costs associated with the reprogramming of existing automated systems to support the long-term CalWORKs Reform Efforts associated with ABX4 8 is estimated to be approximately $4.8 million in the Budget Year.

FUNDING:

The automation associated with the federal DRA changes to Medi-Cal eligibility is funded 50 percent General Fund (GF) and 50 percent reimbursement from the U.S. Department of Health and Human Services. The automation changes associated with the CalWORKs program changes and the CalWORKs Reform Efforts is funded with 100 percent federal TANF funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year includes automation costs for the long-term CalWORKs Reform Efforts.

EXPENDITURES:

in 000's)	2009-10	2010-11
Total	$2,751	$4,801
Federal	2,427	4,801
State	162	0
County	0	0
Reimbursements	162	0

County Expense Claim Reporting Information Systems (CECRIS)

DESCRIPTION:

This premise reflects the replacement of the existing County Administrative Expense Claim database with a new web-based application. The existing County Expense Claim (CEC) and its supporting business processes have gone beyond their functional capacity and currently present a significant risk of system failure. The new County Expense Claim Reporting Information System (CECRIS) will essentially improve the data access and analysis, and the accuracy of expenditure data for all 58 counties in California. It will also improve the ability to ensure that all costs are reimbursed in accordance with federal cost allocation requirements in order to maintain federal funding.

IMPLEMENTATION DATE:

This premise assumes an implementation date of July 1, 2010.

KEY DATA/ASSUMPTIONS:

- The development of CECRIS is projected to begin in Fiscal Year (FY) 2010-11 and will be completed in FY 2012-13.
- The total amount of projected funds needed to complete the new system is $2.8 million.
- It is assumed that the total amount of funding to begin development of the new system in FY 2010-11 is $284,000.
- The new system will benefit most of the programs administered by the California Department of Social Services and a subset of the Medi-Cal Program costs that are claimed through the county administrative expense claim.

METHODOLOGY:

In FY 2010-11, the total estimated funds needed for CECRIS is $284,000.

FUNDING:

CECRIS is funded by multiple sources. Federal funds include the normal shares of Food Stamp, Title IV-E and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services. The Temporary Assistance for Needy Families (TANF) Block Grant is the funding source for TANF-eligible costs. The balance of the funding is General Fund. Based on the cost allocation plan for the project, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. Statewide Automated Welfare System (SAWS)-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each detail table.

County Expense Claim Reporting Information Systems (CECRIS)

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the Budget Year.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	$0	$284
Federal	0	147
State	0	123
County	0	0
Reimbursements	0	14

Food Stamp Automation Simplification Project – American Recovery and Reinvestment Act (ARRA) of 2009 Funds

DESCRIPTION:

This premise reflects the automation costs associated with implementation of food stamp simplification efforts. These projects will be funded with federal ARRA funds and General Fund (GF) savings associated with using ARRA to replace Non-Assistance Food Stamp (NAFS) administrative costs. Please refer to the ARRA of 2009 NAFS premise for more detail about the fund source.

The following projects are proposals to enhance county workload by serving clients in more efficient way:

- Online applications, including C4YOURSELF online expansion, will enhance existing on-line applications for Food Stamps (FS), California Work Opportunity and Responsibility to Kids (CalWORKs), and Medi-Cal. It will provide broader access to benefits for eligible individuals and families and will reduce both the upfront and ongoing workload performed by county workers.
- Interactive Voice Response (IVR) systems with outbound calling capabilities for FS, CalWORKs, and Medi-Cal would provide important information to applicants and recipients and would alleviate the need for workers to make repeated calls.
- Document imaging will reduce paper usage, storage, and ensure greater ease of access to records.

IMPLEMENTATION DATE:

Funding for this premise is available beginning Fiscal Year (FY) 2009-10.

KEY DATA/ASSUMPTIONS:

- Based on information received from the Consortia, it is estimated that the automation cost for online applications is $3.6 million for FY 2009-10 and $2.3 million in FY 2010-11.
- Based on information received from the Consortia, it is estimated that the automation cost for IVR System is $1.7 million for FY 2009-10 and $3.2 million in FY 2010-11.
- Based on information received from the Consortia, it is estimated that the automation cost for document imaging is $1.1 million in FY 2009-10 and $1.4 million in FY 2010-11.
- Based on information received from the Consortia, it is estimated that the automation cost for C4YOURSELF is $474,000 in FY 2009-10 and $512,000 in FY 2010-11.
- These projects will be funded with federal ARRA funds and GF savings associated with using ARRA to replace NAFS administrative costs.

Food Stamp Automation Simplification Project – American Recovery and Reinvestment Act (ARRA) of 2009 Funds

METHODOLOGY:

Total costs budgeted for automation efficiencies are estimated to be $8.4 million in the Current Year (CY) and $7.4 million in the Budget Year (BY).

FUNDING:

Funding for C4YOURSELF is 100 percent federal Food Stamp ARRA in the CY and the BY. Funding for the remaining projects in the CY will be 56.2 percent GF, 28.3 percent federal Title IXI, 14 percent federal Food and Nutrition Service (FNS) fund, and 1.5 percent county share. Funding in the BY will be 52.6 percent GF, 28.3 percent Title IXI, 14 percent FNS, and 5.1 percent county share.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is associated with a projected decrease in funds available for automation projects in the BY.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	$8,439	$7,399
Federal	1,367	1,473
State	5,161	3,619
County	98	356
Reimbursements	1,813	1,951

Statewide Automated Welfare System (SAWS) Statewide Project Management (SPM)

DESCRIPTION:

This premise reflects costs for the Statewide Automated Welfare System (SAWS) Statewide Project Management (SPM). This activity is performed by the California Health and Human Services Agency, Office of Systems Integration (OSI) in accordance with Welfare and Institutions Code section 10823(a), which requires the implementation of SAWS. OSI provides statewide project management for the four SAWS consortia and the Welfare Data Tracking Implementation Project.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1995.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 10823.

METHODOLOGY:

Costs are based on the December 2001 (Revised May 2002) SAWS SPM Implementation Advance Planning Document Update and subsequent baseline adjustments.

FUNDING:

SPM funding comes from various sources. Federal funds include the normal share of Food Stamp, Title IV-E and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The Fiscal Year (FY) 2009-10 costs have been adjusted for Employee Compensation and Retirement.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2010-11 costs have been adjusted for Employee Compensation, Retirement, and Pro Rata.

Statewide Automated Welfare System (SAWS)
Statewide Project Management (SPM)

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$6,160	$6,639
Federal	$1,740	$1,875
State	$2,702	$2,912
County	$0	$0
Reimbursements	$1,718	$1,852

CDSS/OSI PARTNERSHIP:

(in 000's)

	2009-10	2010-11
Total	$6,160	$6,639
CDSS	$150	$150
OSI	$6,010	$6,489

Welfare Data Tracking Implementation Project (WDTIP)

DESCRIPTION:

This premise reflects costs for the Statewide Automated Welfare System (SAWS) Welfare Data Tracking Implementation Project (WDTIP). Project management for WDTIP is provided by the California Health and Human Services Agency, Office of Systems Integration (OSI). WDTIP provides counties with the automated functionality required to conform to statewide tracking of time-on-aid requirements mandated by welfare reform in Assembly Bill 1542 (Chapter 270, Statutes of 1997).

IMPLEMENTATION DATE:

This premise implemented on July 1, 1999.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 11454.5(b) (4).

METHODOLOGY:

Costs are based on the June 2002 (Revised January 2003) SAWS-WDTIP Implementation Advance Planning Document Update and subsequent baseline adjustments.

FUNDING:

SAWS-WDTIP funding is 100 percent California Work Opportunity and Responsibility to Kids (CalWORKs)/Temporary Assistance for Needy Families (TANF). Based on the cost allocation plan, the federal share of the CalWORKs Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The Fiscal Year (FY) 2009-10 costs have been adjusted for Employee Compensation and Retirement.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2010-11 costs have been adjusted for Pro Rata, Employee Compensation, and Retirement.

Welfare Data Tracking Implementation Project (WDTIP)

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$3,708	$3,863
Federal	3,708	3,863
State	0	0
County	0	0
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2009-10	2010-11
Total	$3,708	$3,863
CDSS	2,823	2,823
OSI	885	1,040

Interim Statewide Automated Welfare System (ISAWS)

DESCRIPTION:

This premise reflects the costs for the Interim Statewide Automated Welfare System (ISAWS) Consortium, one of four consortia within the Statewide Automated Welfare System (SAWS) Project. State level project management for ISAWS is provided by the California Health and Human Services Agency, Office of Systems Integration (OSI). In addition, OSI provides computing, application maintenance, and operational support services for the ISAWS Consortium. The Consortium is comprised of 35 counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The ISAWS estimate reflects ongoing maintenance and operations (M&O) costs.
- A Post-Implementation Evaluation Report was approved in August 2004.

METHODOLOGY:

Costs are based on the August 2008 “As Needed” ISAWS Consortium Implementation Advance Planning Document Update and subsequent baseline adjustments.

FUNDING:

ISAWS funding comes from various sources. Federal funds include the normal shares of Food Stamp, Title IV-E, and Refugee Resettlement Programs funding. Also, the project is eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund and the county share of Food Stamp and Title IV-E costs. Based on the cost allocation plan for the project, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. Project-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The Fiscal Year (FY) 2009-10 costs have been adjusted for Employee Compensation and Retirement. The change from the appropriation is also a result of a technical funding adjustment among the SAWS Consortium.

Interim Statewide Automated Welfare System (ISAWS)

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2010-11 costs have been adjusted for Employee Compensation, Retirement and Pro Rata.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$23,505	$23,931
Federal	$7,257	$7,389
State	$9,313	$9,482
County	$0	$0
Reimbursements	$6,935	$7,060

CDSS/OSI PARTNERSHIP:

(in 000's)

	2009-10	2010-11
Total	$23,505	$23,931
CDSS	$2,948	$2,948
OSI	$20,557	$20,983

Interim Statewide Automated Welfare System (ISAWS) Consortium Migration Project

DESCRIPTION:

This premise reflects costs for the Interim Statewide Automated Welfare System (ISAWS) Consortium Migration Project. The ISAWS Consortium is one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The ISAWS Migration project will migrate the 35 ISAWS Consortium counties to Consortium IV.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- Planning activities began in July 2006 and development activities began in August 2007.

METHODOLOGY:

Costs are based on the December 2008 SAWS-ISAWS Consortium Migration Project Planning Advance Planning Document Update and subsequent changes to reflect the budget request.

FUNDING:

ISAWS Migration funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is budgeted by the Department of Health Care Services. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund. Based on the cost allocation, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

There is no change.

Interim Statewide Automated Welfare System (ISAWS) Consortium Migration Project

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in Fiscal Year 2010-11 is due to the completion of implementation activities.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$105,914	$30,549
Federal	32,299	9,292
State	47,197	12,800
County	562	979
Reimbursements	25,856	7,478

CDSS/OSI PARTNERSHIP:

(in 000's)

	2009-10	2010-11
Total	$105,914	$30,549
CDSS	105,914	30,549
OSI	0	0

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER)

DESCRIPTION:

This premise reflects the costs for the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Consortium, one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The LEADER Consortium includes only Los Angeles County.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The LEADER estimate reflects ongoing maintenance and operations (M&O) costs.
- The county extended its M&O contract in May 2007 to continue M&O services until the replacement system is implemented.
- A Post-Implementation Evaluation Report was approved in November 2006.

METHODOLOGY:

Costs are based on the June 2005 SAWS LEADER Implementation Advance Planning Document Update and subsequent adjustments to reflect the extension of the M&O contract.

FUNDING:

LEADER funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF-eligible costs. The balance of the funding is General Fund and the county share of Food Stamp and General Relief costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER)

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$12,256	$12,256
Federal	7,393	7,393
State	2,899	2,899
County	1,964	1,964
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2009-10	2010-11
Total	$12,256	$12,256
CDSS	12,256	12,256
OSI	0	0

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Replacement System

DESCRIPTION:

This premise reflects the costs for the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Consortium Replacement System project. The LEADER Consortium is one of four consortia within the Statewide Automated Welfare System (SAWS) Project and is comprised of only Los Angeles County. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The LEADER Replacement System (LRS) project currently includes planning and procurement activities for a system to replace LEADER.

IMPLEMENTATION DATE:

This premise was implemented as a separate LEADER premise on July 1, 2007. The Planning activities began in Fiscal Year (FY) 2005-06.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- Planning activities for the LRS project began in July 2005.
- The evaluation and selection process was concluded in July 2009. The budget for the LRS project is based on price quotes from the selected bidder in the Request for Proposal. Contract negotiations will take place from November 2009 through February 2010.
- Development and implementation will start on July 1, 2010.

METHODOLOGY:

Costs are calculated based on the timeframes outlined in the August 2009 SAWS LEADER Replacement System Implementation Advance Planning Document Update.

FUNDING:

LEADER funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also is eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF-eligible costs. The balance of the funding is General Fund and the county share of Food Stamp, Foster Care and General Relief costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Replacement System

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in FY 2010-11 is due to the beginning of design, development, and implementation activities.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$1,314	$45,579
Federal	313	10,850
State	525	18,182
County	85	2,974
Reimbursements	391	13,573

CDSS/OSI PARTNERSHIP:

(in 000's)

	2009-10	2010-11
Total	$1,314	$45,579
CDSS	1,314	45,579
OSI	0	0

Welfare Client Data System (WCDS)-CalWORKs Information Network (CalWIN)

DESCRIPTION:

This premise reflects costs for the Welfare Client Data System (WCDS) Consortium, one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The WCDS Consortium CalWORKs Information Network (CalWIN) system is managed by 18 counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The WCDS Consortium estimate reflects ongoing maintenance and operations costs.

METHODOLOGY:

Costs are based on the December 2006 (Revised May 2007) SAWS-WCDS Consortium Implementation Advance Planning Document Update and subsequent budget requests.

FUNDING:

WCDS funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF-eligible costs. The balance of the funding is General Fund (GF) and the county share of Food Stamp, Foster Care and General Assistance/General Relief costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF-eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The increase in Fiscal Year (FY) 2009-10 is due to a technical adjustment. The proposed technical adjustment is a net zero change to the GF for the Statewide Automated Welfare Systems (SAWS) automation projects and is a change only to the distribution of the enacted reduction amount within the SAWS consortia.

Welfare Client Data System (WCDS)-CalWORKs Information Network (CalWIN)

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in FY 2010-11 is due to a technical adjustment, caseload increases, and procurement efforts for a new maintenance and operations contract.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$70,164	$74,330
Federal	19,551	20,712
State	27,431	29,059
County	4,034	4,275
Reimbursements	19,148	20,284

CDSS/OSI PARTNERSHIP:

(in 000's)

	2009-10	2010-11
Total	$70,164	$74,330
CDSS	70,164	74,330
OSI	0	0

Consortium IV (C-IV)

DESCRIPTION:

This premise reflects the costs for Consortium IV (C-IV), one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The C-IV system serves four counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The C-IV estimate reflects ongoing maintenance and operations (M&O) costs.

METHODOLOGY:

Costs are based on the June 2006 (Revised November 2006) SAWS-C-IV Implementation Advance Planning Document Update and subsequent changes to reflect the budget request.

FUNDING:

C-IV funding comes from various sources. Federal funds include the normal shares of Food Stamp and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund (GF) and the county share of Food Stamp and Foster Care costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The decrease in Fiscal Year (FY) 2009-10 is due to a technical funding adjustment among the SAWS Consortium.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2010-11 allocation of costs to benefiting programs has been updated and a redirection of funding from the Interim Statewide Automated Welfare System has occurred to maintain project support.

Consortium IV (C-IV)

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$46,043	$46,268
Federal	14,933	14,937
State	17,296	17,402
County	2,421	2,446
Reimbursements	11,393	11,483

CDSS/OSI PARTNERSHIP:

(in 000's)

	2009-10	2010-11
Total	$46,043	$46,268
CDSS	46,043	46,268
OSI	0	0

Statewide Fingerprint Imaging System (SFIS) Project

DESCRIPTION:

This premise reflects the cost for the Statewide Fingerprint Imaging System (SFIS) project. Senate Bill 1780 (Chapter 206, Statutes of 1996) required applicants for, and recipients of California Work Opportunity and Responsibility to Kids (CalWORKs), Non-Assistance Food Stamp (NAFS), and California Food Assistance Program benefits to be fingerprint imaged as a condition of eligibility.

The following persons must provide fingerprint images and a photo image: (1) each parent and/or caretaker relative of an aided or applicant child when living in the home of the child; (2) each parent and/or caretaker relative receiving or applying for aid on the basis of an unaided excluded child; (3) each aided or applicant adult; and, (4) the aided or applicant pregnant woman in an assistance unit (AU) consisting of the woman only. Failure to provide the required images will result in ineligibility for the entire AU.

IMPLEMENTATION DATE:

The first phase of counties began implementation on March 14, 2000. The statewide implementation of the SFIS was completed on December 7, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10830.
- The Health and Human Services Agency Office of Systems Integration cost estimates reflected in this premise are based on the executed contract with the SFIS development contractor. Cost estimates are based on the following:
    - Maintenance and Operations (M&O) vendor – The M&O vendor contract estimate is based on a structured monthly maintenance cost and operations costs for state and county-operated workstations. This cost includes: vendor project staff; help desk when the system is operational; 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.
    - GS $Mart financing of both workstation and Central Site Hardware for a period of five years.
- The Budget Act of 2009 mandated the additional functionality of fingerprinting In-Home Supportive Services (IHSS) recipients, and provided funding for this activity.

METHODOLOGY:

The estimates are based on the executed contract for ongoing M&O services.

Statewide Fingerprint Imaging System (SFIS) Project

FUNDING:

The M&O automation project costs are funded with General Fund and federal share for the Food Stamps program, federal Grant funds for CalWORKs and county share of General Assistance/General Relief costs. Project-related Temporary Assistance for Needy Families (TANF) funds are identified in total within the "Additional TANF/MOE Expenditures in CDSS" section in the TANF section of each Detail Table. Federal Financial Participation (FFP) has been secured beginning in September 2009.

CHANGE FROM THE APPROPRIATION:

The Fiscal Year (FY) 2009-10 costs have been adjusted for Employee Compensation and Retirement.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2010-11 costs have been adjusted for Pro Rata, Employee Compensation, and Retirement. The allocation of costs to benefitting programs has been updated, and the IHSS funding moves to the SFIS line.

EXPENDITURES:

(in 000's)

ITEM 111 –

IHSS	2009-10 County Admin.	2010-11 County Admin.
Total	$8,200	$0
Federal	0	0
State	4,430	0
County	0	0
Reimbursements	3,770	0

ITEM 141 - SFIS	2009-10 County Admin.	2010-11 County Admin.
Total	$11,885	$17,647
Federal	6,451	8,229
State	5,067	6,973
County	367	371
Reimbursements	0	2,074

Statewide Fingerprint Imaging System (SFIS) Project

CDSS/OSI PARTNERSHIP:

(in 000's)

	2009-10	2010-11
Total	$20,085	$17,647
CDSS	4,093	4,093
OSI	15,992	13,554

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Electronic Benefit Transfer (EBT) Project Maintenance and Operations (M&O)

DESCRIPTION:

This premise reflects the costs associated with ongoing maintenance and operations (M&O) for the Electronic Benefit Transfer (EBT) Project. The EBT system is the automated delivery, redemption, and reconciliation of the Supplemental Nutrition Assistance Program, or SNAP (formerly known as the Food Stamp program), and cash program benefits. EBT provides program recipients electronic access to food and cash benefits through the use of EBT cards at point-of-sale devices and automated teller machines. The EBT system replaced the paper-based food coupon and, as selected by 55 counties, cash benefit issuance methods for the distribution of the California Department of Social Services (CDSS) program benefits.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 1997-98.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10069.
- The Post Implementation Evaluation Report was approved by the Department of Finance on January 2, 2007.

METHODOLOGY:

Costs are consistent with the November 2004 Implementation Advance Planning Document Update.

FUNDING:

EBT funding comes from the SNAP and Temporary Assistance for Needy Families (TANF) programs. Federal funds and General Fund are provided for the SNAP. The TANF program Block Grant is the funding source for TANF eligible costs. Based on the cost allocation plan for the project, the federal share of the California Work Opportunity and Responsibility to Kids program is 100 percent TANF eligible. Project-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The FY 2009-10 costs have been adjusted for Retirement and Employee Compensation.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2010-11 costs have been adjusted for Retirement and Employee Compensation.

Electronic Benefit Transfer (EBT) Project Maintenance and Operations (M&O)

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$26,759	$27,038
Federal	16,314	16,484
State	7,008	7,083
County	3,437	3,471
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2009-10	2010-11
Total	$26,759	$27,038
CDSS	0	0
OSI	26,759	27,038

Electronic Benefit Transfer (EBT) Project Reprocurement

DESCRIPTION:

The Electronic Benefit Transfer (EBT) system is the automated delivery, redemption, and reconciliation of the Supplemental Nutrition Assistance Program, or SNAP (formerly known as the Food Stamp program), and cash program benefits. It provides program recipients electronic access to food and cash benefits through the use of EBT cards at point-of-sale devices and automated teller machines. The EBT system replaced the paper-based food coupons and, as selected by 55 counties, the cash benefit issuance methods for the distribution of the California Department of Social Services (CDSS) program benefits.

The Office of Systems Integration has transitioned EBT services to the new EBT service provider, ACS State & Local Solutions, Inc. (ACS). At the successful conclusion of transition services (with state acceptance expected in the fall of 2009), the EBT Project will enter into a new maintenance and operations (M&O) phase. Funding for this new M&O phase, under the ACS contract, will be redirected from the current EBT M&O Project under the JPMorgan EFS contract.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 2005-06.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10069.
- Reprocurement activities will take at least three years to complete.

METHODOLOGY:

The EBT Reprocurement Project's planning and implementation phase costs are detailed in the EBT Reprocurement November 2007 Implementation Advance Planning Document.

FUNDING:

EBT funding comes from the SNAP and Temporary Assistance for Needy Families (TANF) programs. Federal funds and General Fund are provided for the SNAP. The TANF program Block Grant is the funding source for TANF eligible costs. Based on the cost allocation plan for the project, the federal share of the California Work Opportunity and Responsibility to Kids program is 100 percent TANF eligible. Project-related TANF funds are identified in total within the "Additional TANF/MOE Expenditures in CDSS" section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The FY 2009-10 costs have been adjusted for Retirement and Employee Compensation.

Electronic Benefit Transfer (EBT) Project Reprocurement

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2010-11 costs have been adjusted for Retirement, Employee Compensation, and Pro Rata.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$20,586	$20,830
Federal	12,539	12,687
State	6,309	5,622
County	1,738	2,521
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2009-10	2010-11
Total	$20,586	$20,830
CDSS	1,170	1,170
OSI	19,416	19,660

Child Welfare Services – Basic Costs

DESCRIPTION:

This premise reflects the costs incurred by County Welfare Departments (CWDs) in the administration of each component of the Child Welfare Services (CWS) program as established through the Welfare and Institutions Code (W&IC) section 16500. W&IC section 11461(e)(4)(B) provides additional funding to counties as incentives and assistance specifically for the Aid to Families with Dependent Children/Foster Care Specialized Care Program. These funds will be used to cover the purchase of nonrecurring items on an as needed basis, the purchase of services not available through other fund sources, and the development of a respite care program or purchase of respite care services.

In recognition of the funding and staffing needs identified by the workload study authorized by Senate Bill (SB) 2030 (Chapter 785, Statutes of 1998), the estimate reflects funding to allow counties to maintain the level of social workers funded in the prior year.

Emergency Response (ER) Component

ER services consist of a response system providing in-person response, when required, to reports of child abuse, neglect, or exploitation for the purpose of investigation and to determine the necessity for providing initial intake services and crisis intervention to maintain the child safely in his or her own home or to protect the safety of the child.

Emergency Response Assessment (ERA) Component

ERA is the initial intake service provided in response to reported allegations of child abuse, neglect or exploitation that is determined, based upon an evaluation of risk, to be inappropriate for an in-person investigation.

Family Maintenance (FM) Component

FM is designed to provide time-limited protective services to prevent or remedy neglect, abuse or exploitation for the purpose of preventing separation of children from their families. CWDs are responsible for determining the specific service needs of the child and family aimed at sustaining the child in the home.

Family Reunification (FR) Component

FR is designed to provide time-limited services while the child is in temporary foster care to prevent or remedy neglect, abuse or exploitation when the child cannot safely remain at home. CWDs are responsible for determining the specific service needs of the child and/or family aimed at reunifying the child with the family.

Permanent Placement (PP) Component

PP is designed to provide an alternative permanent family structure for children who because of abuse, neglect or exploitation cannot safely remain at home and who are unlikely to ever return home. The CWDs are responsible for determining the appropriate permanent goal for the child and facilitating the implementation of that goal. These goals are defined as guardianship, adoption or long-term placement.

Child Welfare Services – Basic Costs

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 16500 and 11461(e)(4)(B).
- The Title IV-E portion of this estimate reflects costs for only the 56 non-Title IV-E Waiver counties, excluding training.
- The workload standard was adopted by the California Department of Social Services in conjunction with the County Welfare Directors' Association in 1984. These standards are 15.8 for ER, 35.0 for FM, 27.0 for FR, 54.0 for PP and 320.0 for ER assessments.
- The statewide annual cost of a social worker (SW) ($129,074) was based on the estimated cost of providing services, to include total staff costs, support costs, and electronic data processing costs, provided in the Fiscal Year (FY) 2001-02 proposed county administrative budgets.
- All counties are reporting caseload data on the CWS/Case Management System (CMS). Caseload projections were developed for each individual county using data through April 2009
- Additional funds are provided in recognition of the funding and staffing need identified by the workload study authorized by SB 2030. Costs are calculated in order to continue each county's SW full-time equivalent (FTE) level funded in the prior year.

METHODOLOGY:

FY 2009-10

- The Current Year (CY) estimate is being held to the Budget Act of 2009 Appropriation.

FY 2010-11

- The estimate is derived by applying the workload standards to the individual county caseload projections and expanding for a 7:1 supervisory ratio. Additional FTEs are included in order to continue each county's prior year FTE level.
- The annual cost of a SW in each county is applied to the total number of FTEs in each county to derive staff costs for each line.
- Direct costs are projected from FY 2008-09 actual expenditures and statewide average caseload growth from FY 2007-08 to FY 2008-09. Total direct costs, excluding county-operated emergency shelter care (ESC), are $90.1 million for the 56 counties. The projected county-operated ESC costs are $49.6 million for those counties with county-operated emergency shelters based on actual expenditures from FY 2008-09.

Child Welfare Services – Basic Costs

METHODOLOGY (CONTINUED):

- Once the total CWS basic costs are derived, costs for the Emergency Assistance (EA) program are subtracted and are displayed separately under the "EA Program" premise. The EA program costs are determined based on the FY 2009-10 funding level and any caseload growth.
- In order to reflect an appropriate level of federal spending authority, additional Titles IV-E and XIX funds are added to the estimate.
- An additional $2.1 million General Fund (GF) is shifted to this premise from the CWS/CMS System Support Staff to comply with federal Statewide Automated Child Welfare Information System (SACWIS) requirements and is matched with federal Title IV-E funds.

FUNDING:

FY 2010-11

The federal share of costs is a combination of Titles IV-B, IV-E, XIX and XX funds. The Title IV-B funds are limited by the capped federal allocation.

The estimated Title IV-B funds available in local assistance are $32.5 million. These funds have a 75 percent federal match rate.

The Title IV-E amount reflects the actual expenditures from FY 2008-09 that 36.2 percent of the expenditures will be eligible for Title IV-E funding. In order to reflect an appropriate level of federal spending authority based on actual expenditures, additional Title IV-E funds are budgeted in the amount of $51.0 million.

The Title XIX amount for FY 2010-11 is calculated using individual county usage rates based on FY 2008-09 expenditure data which reflect that 7.6 percent of the expenditures will be eligible for Title XIX funding. These costs are reflected as a reimbursement. In order to reflect an appropriate level of federal spending authority based on actual expenditures, additional Title XIX funds are budgeted in the amount of $27.5 million.

Nonfederal costs are shared at 70 percent GF and 30 percent county.

After the GF amount is calculated, federal Title XX funds transferred from the TANF block grant are used in lieu of GF. The amount of Title XX-eligible costs is calculated based on the nonmatching GF portion of FR and PP expenditures. For FY 2010-11, the Title XX-eligible amount is $39.6 million.

CHANGE FROM THE APPROPRIATION:

There is no change.

Child Welfare Services – Basic Costs

REASON FOR YEAR-TO-YEAR CHANGE:

Costs have been updated for actual expenditures and the Title XX-eligible costs have decreased.

CASELOAD:

(Average Monthly for non-Title IV-E counties)

	2009-10	2010-11
Emergency Response	28,336	27,705
Emergency Response Assessment	12,918	12,634
Family Maintenance	15,691	14,571
Family Reunification	14,574	13,861
Permanent Placement	28,591	26,099

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total Basic	County Admin.	County Admin.
Total	$795,400	$788,811
Federal	335,541	326,711
State	268,738	266,382
County	104,356	105,151
Reimbursements	86,765	90,567

Child Welfare Services – Basic Costs

EXPENDITURES (CONTINUED):

(in 000's)

Reconciliation of Federal Funds:

	2009-10	2010-11
Title IV-B	$32,880	$32,523
Title IV-E	268,100	260,329
Title XIX	86,765	90,567
Title XX	34,561	33,859
Total Federal Funding	$422,306	417,278

Specialized Care:

	2009-10	2010-11
Total	$4,245	$3,965
Federal	0	0
State	4,245	3,965
County	0	0

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Federal Budget Bill – Loss of Federal Financial Participation (FFP)

DESCRIPTION:

This premise reflects the cost to backfill the loss of federal Title IV-E funds for children placed in hospitals or mental health institutions for longer than 30 days. The Federal Reconciliation Bill (FRB), signed February 8, 2006 (but effective October 1, 2005), limits the claiming of Title IV-E administrative costs when a child is placed in an ineligible facility to the 30 days prior to the child being moved to a Title IV-E eligible facility or home. Prior to the FRB, there was no limit on administrative claiming if the county was providing pre-placement preventive services or preparing for the child to enter foster care.

IMPLEMENTATION DATE:

The FRB effective date is October 1, 2005.

KEY DATA/ASSUMPTIONS:

- FRB S. 1932, signed February 8, 2006.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- There are approximately 164 cases placed in non-foster care facilities over 30 days.
- The children placed in ineligible foster care facilities represent 0.12 percent of the total foster care caseload.

METHODOLOGY:

The costs are calculated by multiplying the Title IV-E funded Child Welfare Services (CWS) Basic budgeted expenditures by the percent of cases that are placed in ineligible facilities.

FUNDING:

These costs are ineligible for Title IV-E and are funded 70 percent General Fund and 30 percent county funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Title IV-E funded CWS Basic budgeted expenditures have increased.

Federal Budget Bill – Loss of Federal Financial Participation (FFP)

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$0	$0
Federal	-244	-247
State	171	173
County	73	74
Reimbursements	0	0

Augmentation to Child Welfare Services

DESCRIPTION:

This premise reflects the cost to provide an augmentation to the Child Welfare Services (CWS) program. These funds shall be expressly targeted for services provided through the Emergency Response, Family Maintenance, Family Reunification (FR) and Permanent Placement (PP) components of CWS, and shall not be used to supplant existing CWS funds. Funds will be available to counties contingent upon individual counties: 1) matching their CWS Basic General Fund (GF) allocation; and, 2) fully utilizing the CWS/Case Management System. There is no county match required for these funds.

IMPLEMENTATION DATE:

This premise, formerly known as "Emergency Workload Relief," was implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Assembly Bill (AB) 1656 (Chapter 324, Statutes of 1998) and AB 1740 (Chapter 52, Statutes of 2000).
- AB 1656 authorized $40.0 million in GF with no county match required.
- AB 1740 authorized an additional $34.3 million in GF with no county match required.
- The GF Appropriation has been reduced by $17,150,000 due to lower revenues and other demands on the available GF.
- The 56 non-Title IV-E Waiver counties' portion of the total augmentation is $36,726,107 GF.

METHODOLOGY:

AB 1656 and AB 1740 designated the GF amount; however, due to lower revenues and other demands on the available GF, the GF Appropriation has been reduced by $17,150,000.

FUNDING:

- After applying the foster care federal discount rate of 71 percent for Fiscal Year (FY) 2009-10 and FY 2010-11, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent GF.
- After the GF amount is calculated, federal Title XX funds transferred from the Temporary Assistance for Needy Families block grant are used in lieu of GF. The amount of Title XX-eligible costs is calculated based on the nonmatching GF portion of FR and PP expenditures. For FY 2009-10, the Title XX-eligible amount is $5,048,303. For FY 2010-11, the Title XX-eligible amount is $4,811,976.

Augmentation to Child Welfare Services

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The amount of Title XX-eligible costs has decreased.

EXPENDITURES:

(in 000's)

Augmentation Funds:

	2009-10	2010-11
	County Admin.	County Admin.
Total	$56,940	$56,940
Federal	25,262	25,026
State	31,678	31,914
County	0	0
Reimbursements	0	0

Child Welfare Services/Case Management System – System Support Staff

DESCRIPTION:

This premise reflects the cost for county administrative staff needed to support the Child Welfare Services/Case Management System which was implemented as a result of Senate Bill 370 (Chapter 1294, Statutes of 1989). These staff are needed for the ongoing operations of the system.

IMPLEMENTATION DATE:

There was a staggered implementation based on individual county start dates beginning in Fiscal Year (FY) 1996-97.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- The base amount is $25,119,682, consistent with the FY 2005-06 Appropriation.
- Of the base amount, funds budgeted for this premise is based on actual expenditures. The remaining General Fund is budgeted as part of Child Welfare Services (CWS) Basic.

METHODOLOGY:

The estimate is based on actual expenditures.

FUNDING:

Costs are shared according to California's federally approved Cost Allocation Plan, which allocates costs to all benefiting CWS programs based on statewide county worker time study hours.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to an increase in actual expenditures.

Child Welfare Services/Case Management System – System Support Staff

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$15,463	$17,670
Federal	7,780	8,802
State	4,718	5,404
County	2,311	2,638
Reimbursements	654	826

Child Welfare Services – Emergency Assistance Program (TANF & Case Management)

DESCRIPTION:

This premise reflects the costs associated with the Child Welfare Services (CWS) Emergency Assistance (EA) program funded through federal Temporary Assistance for Needy Families (TANF) and General Fund (GF).

In 1993, the California Department of Social Services (CDSS) implemented a statewide EA program under Title IV-A of the Social Security Act for county welfare departments that provides funding for emergency shelter care to children determined to be at risk due to abuse, neglect, abandonment, or exploitation.

In 1994, CDSS implemented crisis resolution and emergency response (ER) as the child welfare services components of emergency assistance. Crisis resolution provides services to families aimed at resolving family crises without removing the child from the home or by allowing the child to be returned to the family with the provision of supporting services to ensure child safety. Under EA/ER, funds are available for emergency response activities such as receiving and assessing referrals, investigating emergency allegations, and gathering and evaluating relevant information.

EA case management is defined as an array of activities directed to a specific child. These activities include, but are not limited to, developing a case or service plan for a child, working with foster or adoptive parents to prepare them to receive a child, and conducting case and administrative reviews, case conferences, and permanency planning meetings.

Public Law (P.L.) 104-193 eliminated Title IV-A funding for the EA program but permitted use of TANF dollars for EA funding. Although P.L. 104-193 allowed TANF funding, the Budget Act of 1997 replaced the TANF funding with General Fund (GF). Based on an interpretation of the final TANF regulations, effective October 1, 1999, EA GF expenditures are not countable towards the TANF maintenance of effort requirement. Therefore, the GF was replaced with TANF funding. In 2001, EA case management activities were funded with Title IV-E funds in order to free-up TANF dollars. In 2008, clarifying instructions were given by the Administration for Children and Families (ACF) that EA case management costs are not IV-E eligible, and therefore are shifted to GF.

IMPLEMENTATION DATE:

Emergency Shelter Care - This component implemented on September 1, 1993.

Crisis Resolution - This component implemented on August 1, 1994.

Emergency Response - This component implemented on August 1, 1994.

Case Management - This component implemented on October 1, 1995.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 15204.25.
- There is no caseload growth projected for Fiscal Year (FY) 2010-11.
- The EA TANF estimate reflects costs for all 58 counties. The EA Case Management estimate reflects costs for only the non-Title IV-E Waiver counties.

Child Welfare Services – Emergency Assistance Program (TANF & Case Management)

METHODOLOGY:

The total costs are based on the prior year and increased by any individual county caseload growth. The appropriate sharing ratios are then applied to the total costs.

FUNDING:

EA TANF funding, although eliminated by P.L. 104-193, was used in the TANF block grant calculation and is, therefore, part of the TANF funding schedule.

The sharing ratio for EA eligible shelter care cases under 30 days, emergency response, and crisis resolution is 85 percent TANF and 15 percent county. For shelter care EA eligible cases over 30 days, the ratio is 50 percent TANF and 50 percent county. These funds are reflected in the "Emergency Assistance TANF" line.

For the non-Title IV-E Wavier counties, EA case management activities are funded as if Title IV-E eligible, with 50 percent of the costs funded with Title IV-E after the federal foster care discount rate is applied. The nonfederal costs are shared 85 percent GF and 15 percent county. After the GF amount is calculated, federal Title XX funds transferred from the TANF block grant are used in lieu of GF. The amount of Title XX-eligible costs is calculated based on the non-matching GF portion of Family Reunification and Permanent Placement expenditures. For FY 2009-10 the Title XX-eligible amount is $1.1 million. For FY 2010-11, the Title XX-eligible amount is $953,000. The federal Title IV-E costs are then shifted to GF. These funds are reflected in the "Emergency Assistance Case Management" line.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

For EA Case Management, Title XX-eligible expenditures have decreased.

EXPENDITURES:

(in 000's)

	2009-10	2010-11	2009-10	2010-11
	EA TANF		**EA Case Management**	
Total	$209,563	$209,563	$30,523	$30,523
Federal	173,500	173,500	1,106	953
State	0	0	24,839	24,992
County	36,063	36,063	4,578	4,578
Reimbursements	0	0	0	0

Tribal-State Title IV-E Agreements

DESCRIPTION:

This premise reflects the costs to provide start-up funding for three years when a tribe seeks to implement its own child welfare services program. The Federal Social Security Act, Indian Child Welfare Act (ICWA) and the California Welfare and Institutions Code (W&IC) sections 10553.1 and 10553.2 allow states to enter into agreements to pass through federal Title IV-E funds for foster care maintenance and administration to tribes. Tribal-State Agreements are essential to allow the pass-through of Title IV-E funds to the tribes to provide foster care services to tribal children.

IMPLEMENTATION DATE:

This premise implemented on April 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Federal Social Security Act, ICWA, W&IC sections 10553.1 and 10553.2.
- The Karuk Tribe of California has signed an Agreement with the state for the provision of child welfare services. Assistance payments and administrative costs are budgeted beginning September 1, 2009. The Yurok Tribe of California is expected to sign an Agreement with the state for the provision of child welfare services beginning January 1, 2010.
- In a letter from the federal Administration of Children and Families (ACF) dated November 6, 2009, California was informed the Karuk plan was approved by the ACF, and the state IV-E plan was amended to include Karuk with an effective date of July 1, 2009. Any impact on the General Fund (GF) due to the decision by ACF to approve the plan retroactively will be addressed in the May 2010 Revision. Eligible costs will draw down federal Title IV-E funding.
- Based on information from the Karuk Tribe, the annual cost of a social worker is estimated at $81,146. Based on information from the Yurok Tribe, the annual cost of a social worker is estimated at $50,000.
- The average monthly statewide Foster Family Home (FFH) federal grant of $721.39, the Group Home (GH) federal grant of $5,175.44, and the Adoption Assistance Program (AAP) federal grants of $801.70 for Fiscal Year (FY) 2009-10 and $820.53 for FY 2010-11 are based on statewide actual expenditures through June 2009.
- Based on information from the Karuk Tribe, the average monthly FFH caseload is projected at two cases, the average monthly GH caseload is projected at one case, and the average monthly AAP caseload is projected at one case.
- Based on information from the Yurok Tribe, the average monthly FFH caseload is projected at 12.
- The administration of Foster Care (FC) eligibility will require one social worker annually for the Karuk Tribe, and two social workers for the Yurok Tribe.
- Based on cost and caseload information from the Karuk and Yurok Tribes, the administration of Child Welfare Services (CWS) will require $140,000 GF for FY 2009-10 and $94,000 GF for FY 2010-11.

Tribal-State Title IV-E Agreements

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on cost and caseload information from the Karuk and Yurok Tribes, the administration of the Adoptions program will require $ $40,000 GF for FY 2009-10 and 47,000 GF for FY 2010-11.

METHODOLOGY:

The estimate is based on cost and caseload information from the Karuk and Yurok Tribes. The basic assistance estimate is the product of case months and average grant.

FUNDING:

The FC grant, AAP grant, FC Administration, CWS Administration, and Adoptions program costs are shared at the same ratios as in their respective programs.

CHANGE FROM THE APPROPRIATION:

The Current Year (CY) reflects the budgeted change in implementation dates from April 2009 to September 2009 for the Karuk and from October 2009 to January 2010 for the Yurok. This results in decreased costs to FC 101, AAP 101, and FC 141. The delayed implementation resulted in increased costs in CWS 151 for one-time start-up costs shifting from FY 2008-09 to FY 2009-10.

REASON FOR YEAR-TO-YEAR CHANGE:

The year-to-year change reflects one-time start-up costs for the tribes in the CY.

EXPENDITURES:

(in 000's)

ITEM 101 – Foster Care Grants	2009-10 Grant	2010-11 Grant
Total	$111	$184
Federal	56	92
State	22	37
County	33	55
Reimbursements	0	0

ITEM 101 – Adoption Assistance Program Grants	2009-10 Grant	2010-11 Grant
Total	$8	$10
Federal	4	5
State	3	4
County	1	1
Reimbursements	0	0

Tribal-State Title IV-E Agreements

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 141 – Foster Care Admin.	2009-10 County Admin.	2010-11 County Admin.
Total	$111	$181
Federal	55	91
State	39	63
County	17	27
Reimbursements	0	0

ITEM 151 – CWS Admin.	2009-10 County Admin.	2010-11 County Admin.
Total	$325	$234
Federal	148	103
State	140	94
County	37	37
Reimbursements	0	0

ITEM 151 – Adoptions	2009-10	2010-11
Total	$69	$82
Federal	29	35
State	40	47
County	0	0
Reimbursements	0	0

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Gomez v. Saenz

DESCRIPTION:

This premise reflects the costs for county activities related to the *Gomez, et al. v. Saenz* court settlement. Specifically, costs are for counties to enact a notification and grievance process to provide due process to any persons desiring to challenge their listing on the Child Abuse Central Index (CACI), both prospectively and retroactively.

IMPLEMENTATION DATE:

The premise implemented in Fiscal Year (FY) 2007-08.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Senate Bill 84, (Chapter 177, Statutes of 2007).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- On April 06, 2009 the federal Administration for Children and Families declared that costs associated with this premise are not eligible for Title IV-E funding.

METHODOLOGY:

For FY 2009-10 costs are projected based on actual expenditures for Calendar Year 2008. For FY 2010-11, costs are projected based on actual expenditures from April 2008 to March 2009.

FUNDING:

Costs are not eligible for federal Title IV-E funding. Costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in actual expenditures.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$2,333	1,660
Federal	0	0
State	1,633	1,162
County	700	498
Reimbursements	0	0

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State Family Preservation

DESCRIPTION:

This premise reflects the authorization for the permanent transfer of funds from an incentive/penalty provision program to a program with a sharing ratio of 70 percent General Fund (GF) and 30 percent county. In accordance with Assembly Bill 2365 (Chapter 71, Statutes of 1992), the counties that have operated a family preservation program for at least three years can participate in the program. Historically, funding was provided through an annual allocation derived from a shift in funds from the GF (and federal share, to the extent permitted under federal law) of the Aid to Families with Dependent Children-Foster Care appropriation. Fifteen counties opted to participate in the program which included an incentive/penalty provision based on increases/decreases in foster care placements. However, the foster care caseloads began to stabilize which resulted in little savings. Therefore, counties were given the option to permanently transfer funding to a 70 percent GF and 30 percent county share limited to not exceed 70 percent of the highest annual amount spent for family preservation.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 1993-94.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16500.5 through 16500.7.
- The GF share of funds reflects up to 70 percent of the highest annual amount expended for family preservation services by 15 counties (Alameda, Contra Costa, Humboldt, Los Angeles, Mendocino, Napa, Placer, Riverside, Sacramento, San Diego, San Luis Obispo, Santa Clara, Santa Cruz, Solano, and Stanislaus).
- This estimate reflects costs for only the 14 non-Title IV-E Waiver counties.
- Los Angeles County is not a Waiver county under this premise.
- The GF portion of Alameda's funding has been transferred to Item 153 beginning in FY 2008-09.

METHODOLOGY:

For FY 2009-10 and FY 2010-11, the non-Title IV-E Waiver counties are held at the Budget Act of 2008 Appropriation level. The Title IV-E Waiver counties base is reflected in Item 153 Title IV-E Waiver.

FUNDING:

The federal Title IV-B, nonfederal, and federal Title XIX reimbursement funding levels are based on FY 2001-02 expenditure data.

State Family Preservation

CHANGE FROM THE APPROPRIATION:

There is no change

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$34,645	$34,645
Federal	3,540	3,540
State	21,493	21,493
County	8,916	8,916
Reimbursements	696	696

Promoting Safe and Stable Families (PSSF)

DESCRIPTION:

This premise reflects the amount of the federal Promoting Safe and Stable Families (PSSF) grant to provide community-based, family-centered services to focus on supporting and preserving families, protecting children, and preventing child abuse and neglect. The Omnibus Budget Reconciliation Act of 1993 established this capped grant program under Title IV-B.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16600 through 16604.5.
- The federal Title IV-B funds cannot be used to supplant existing state or local spending.
- Effective Fiscal Year (FY) 2001-02, based on federal requirements, a minimum of 20 percent of PSSF funds must be spent on each of the four components of the program (Family Preservation Services, Family Support Services, Adoption Promotion and Support, and Time-Limited Family Reunification).
- A 25 percent match from state or county funds is required. This match is made available through existing State Family Preservation program funds.

METHODOLOGY:

The estimate is based on the Federal Fiscal Year (FFY) federal grant amount less state operations costs. The FFY 2009 grant letter is for $33,895,325 and the estimated FFY 2010 grant is expected to be $33,895,325.

Beginning in Fiscal Year (FY) 2007-08 California received an additional PSSF grant to be used only to support monthly caseworker visits. The Caseworker Visit Grant for FFY 2009 is $1,006,000 and for FFY 2010 is $2,013,000,

FUNDING:

This premise reflects federal Title IV-B grant funds to be used over a two-year period. The additional grant for caseworker visits reflects federal Title IV-B grant funds to be used over a two-year period.

CHANGE FROM THE APPROPRIATION:

The decrease is due to an updated PSSF Caseworker Visit Grant letter.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase for the PSSF Caseworker Visits Grant is based on an updated grant letter for FFY 2010.

Promoting Safe and Stable Families (PSSF)

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$32,695	$32,695
Federal	32,695	32,695
State	0	0
County	0	0
Reimbursements	0	0

PSSF	2009-10	2010-11
Caseworker Visit	County Admin.	County Admin.
Total	$1,006	$2,013
Federal	1,006	2,013
State	0	0
County	0	0
Reimbursements	0	0

Independent Living Program

DESCRIPTION:

This premise reflects the amount of the federal grant for the Independent Living Program (ILP). The Omnibus Budget Reconciliation Act of 1993 permanently authorized this program, which offers training to foster care adolescents and emancipated youth enabling them to be independent when their foster care terminates. County welfare departments provide or arrange for the provision of services that facilitate the transition of foster children to emancipated lifestyles.

Federal statute, H.R.3443, the Chafee Foster Care Independence Program (CFCIP) Act of 1999 (Public Law 106-169), amended Section 477 of the Social Security Act providing more flexibility in funding of ILP services. The CFCIP authorized the expansion of this program to serve foster care youth ages 16 to 21. In addition, counties were given the discretion to provide ILP services to youth ages 14 and 15 when it was determined that these youth would most likely remain in foster care until emancipation. Counties are authorized to use up to 30 percent of their grant to provide housing assistance for emancipated foster youth and aftercare services to former foster youth ages 18 to 21.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1988.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10609.3.
- Funding is based on the federal grant award for ILP.
- The final grant amount for Federal Fiscal Year (FFY) 2009 is $20,375,619.
- The estimated grant amount for FFY 2010 is $20,375,619.

METHODOLOGY:

Beginning in Fiscal Year (FY) 2007-08, funds will be based on the FFY federal grant amount less state operations costs.

FUNDING:

This premise is funded 100 percent with a federal grant award. The matching funds are provided through the “Extended ILP” premise.

Independent Living Program

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$19,356	$19,356
Federal	19,356	19,356
State	0	0
County	0	0
Reimbursements	0	0

Extended Independent Living Program

DESCRIPTION:

This premise reflects the General Fund (GF) portion of the Independent Living Program (ILP), which provides training for eligible foster care adolescents aged 16 to 21 years old, enabling them to be independent when their foster care terminates. Senate Bill (SB) 933 (Chapter 311, Statutes of 1998) implemented the GF portion to extend ILP services to 100 percent of the eligible foster care adolescent population, up to the age of 21 years. County Welfare Departments (CWD) provide or arrange for the provision of services that facilitate the transition of foster children to emancipated lifestyles.

In addition, counties are given the discretion to provide ILP services to youth ages 14 and 15, when it is determined that these youth would most likely remain in foster care until emancipated. Counties are authorized to use up to 30 percent of their allocation to provide housing assistance for emancipated foster youth and aftercare service to former foster youth ages 18 to 21.

Effective January 1, 2006, SB 436 (Chapter 629, Statutes of 2005) requires the CWD in a county that provides transitional housing placement services to include in its annual ILP report a description of currently available transitional housing resources in relation to the number of emancipating pregnant or parenting foster youth in the county, and a plan for meeting any unmet transitional housing needs of the emancipating pregnant or parenting foster youth.

IMPLEMENTATION DATE:

This premise implemented in September 1998.

SB 436 (Chapter 629, Statutes of 2005) implemented on January 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10609.3 and SB 436 (Chapter 629, Statutes of 2005).
- Effective January 2006, additional GF was allocated to support SB 436 activities.
  - At least one (1) hour per case to collect and to report available transitional housing resources and to develop a plan for meeting any unmet transitional housing needs of the emancipating pregnant or parenting foster youth.
  - The social worker cost per hour is $72.60.
  - For Fiscal Year (FY) 2005-06, the number of female emancipated youths was 2,549.
  - In Calendar Year 2004, the teen parent birth rate for 19 year olds is 74.8 per 1,000 women.
  - SB 436 is a new state mandate; there is no county cost.

METHODOLOGY:

For FY 2009-10 and FY 2010-11, the funding is held to the Budget Act 2009 Appropriation.

Extended Independent Living Program

FUNDING:

This premise is funded 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$15,166	$15,166
Federal	0	0
State	15,166	15,166
County	0	0
Reimbursements	0	0

Chafee Post Secondary Education & Training Vouchers

DESCRIPTION:

This premise reflects the amount of the federal grant for Chafee Post Secondary Education and Training Vouchers. This funding is provided under the Educational and Training Vouchers (ETV) program which is part of the Chafee Foster Care Independence Program (CFCIP).

The Foster Care Independence Act of 1999, Public Law 107-133, amended Section 477 of the Social Security Act to provide states with flexible funding to design and conduct education and training voucher programs for youth who age out of foster care. This can assist youth with the development of skills necessary to lead independent and productive lives. The purpose of this program is to make available vouchers of up to $5,000 per year per youth for education and training, including post secondary training and education, to eligible youth who have aged out of foster care.

Individuals eligible to receive vouchers under this program are: (1) youth otherwise eligible for services under the state CFCIP program; (2) youth adopted from foster care after attaining age 16; and (3) youth participating in the voucher program on their 21st birthday, until they turn 23 years old, as long as they are enrolled in a post secondary education or training program and are making satisfactory progress toward completion of that program.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Foster Care Independence Act of 1999, Public Law 107-133, Section 477 of the Social Security Act, as amended.
- Funding is based on the federal grant award for ETV.
- The final grant for Federal Fiscal Year (FFY) 2009 that California received is $6,851,700.
- The estimated grant for FFY 2010 that California will receive is $6,851,700.
- Future funding will be appropriated on an annual basis pending congressional authorization.
- A 20 percent match of the total cost is required. The match may be cash or in-kind contributions. The match has been historically funded through the “Emancipated Youth Stipend” premise.
- Assembly Bill (AB) 1808 (Section 5.1) added $5.7 million General Fund (GF) to assist students who are current and former foster youth, for career and technical training or traditional college courses.

METHODOLOGY:

This premise reflects federal grant funds to be used for Fiscal Year (FY) 2009-10 through September 30, 2010, and for FY 2010-11 through September 30, 2011. An additional $5.7 million GF is included to support AB 1808 activities.

Chafee Post Secondary Education & Training Vouchers

FUNDING:

This premise is funded 100 percent with a federal grant award. AB 1808 activities are funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-2011 County Admin.
Total	$12,552	$12,552
Federal	6,852	6,852
State	5,700	5,700
County	0	0
Reimbursements	0	0

Transitional Housing for Foster Youth

DESCRIPTION:

The Transitional Housing Placement Program (THPP) and Transitional Housing Program Plus (THP-Plus) offers foster youth emancipating from the foster care system and youth who have already emancipated from foster care the experience of learning basic life skills while living on their own under general supervision. These programs provide a safety net of services to assure attainment of educational and employment goals. Assembly Bill (AB) 427 expanded the THPP age range for participation from 17 to 18 years of age to 16 to 18 years of age and for the new THP-Plus program to ages 18 to 21. It also enabled additional counties to participate in the THPP and THP-Plus by providing a new rate-setting methodology. Effective January 1, 2006, AB 824 (Chapter 636, Statutes of 2005) raises the age limit for receipt of THP-Plus services by an emancipated foster youth to 24 years of age.

IMPLEMENTATION DATE:

AB 427 implemented on January 1, 2002.

AB 1119 implemented on January 1, 2003.

AB 824 (Chapter 636, Statutes of 2005) implemented on January 1, 2006.

AB 1808 (Chapter 75, Statutes of 2006) implemented on July 12, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code 1559.110 and Welfare and Institutions Code sections 11400, 11403.2, 11403.3, 16522 and 16522.1.
- The nonfederal sharing ratio is 40 percent General Fund (GF) and 60 percent county.
- The THP-Plus rate is 70 percent of the county's group home average grant.
- The Budget Act of 2009 includes a $5 million GF reduction for THP Plus.

METHODOLOGY:

Funding is based on counties' approved rates multiplied by the number of approved beds.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of federal financial participation based on the Federal Medical Assistance Percentage rate, for those cases meeting federal eligibility criteria. The federal Title IV-E funding is available for youth ages 16 to 18. Youth ages 18 to 24 are ineligible for federal funds. The nonfederal share of cost is shared 40 percent GF and 60 percent county for THPP and 100 percent GF for THP-Plus.

Transitional Housing for Foster Youth

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

Total	2009-10	2010-11
Total	$49,713	$49,713
Federal	5,188	5,188
State	39,337	39,337
County	5,188	5,188
Reimbursements	0	0

THPP	2009-10	2010-11
Total	$13,835	$13,835
Federal	5,188	5,188
State	3,459	3,459
County	5,188	5,188
Reimbursements	0	0

THP-Plus	2009-10	2010-11
Total	$35,878	$35,878
Federal	0	0
State	35,878	35,878
County	0	0
Reimbursements	0	0

Emancipated Foster Youth Stipends

DESCRIPTION:

This premise reflects the costs to provide special needs stipends for emancipating foster youth. The program can assist emancipating foster youth with finding affordable housing, text books for college or vocational training, employment searches, emergency personal needs, and bus vouchers. County welfare departments are responsible for providing these services. Historically, a portion of this amount was used as match for the Chafee Post Secondary Education and Training Vouchers.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

Authorizing statute: The Budget Act of 2000.

METHODOLOGY:

The Budget Act designates General Fund (GF) support levels.

FUNDING:

This program is funded 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10 County Services	2010-11 County Services
Total	$3,602	$3,602
Federal	0	0
State	3,602	3,602
County	0	0
Reimbursements	0	0

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Recruitment and Retention of Social Workers

DESCRIPTION:

This premise reflects the cost to fund a contract with Cooperative Personnel Services/Merit System Services to help recruit and retain social workers in 30 small counties. Due to the continued difficulties of hiring and retaining social workers, Merit System Services will work with counties to implement and provide on-going recruitment efforts and career development plans to increase and retain the number of social workers in the smaller counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2001.

KEY DATA/ASSUMPTIONS:

The recruitment and career development plans were designed during Fiscal Year (FY) 2000-01.

METHODOLOGY:

The funding for this premise reflects the amount of the contract with Merit System Services.

FUNDING:

This premise is eligible for federal Title IV-E funding. After the foster care federal discount rate is applied, costs are shared 50 percent federal and 50 percent General Fund (GF). Nonfederally-eligible costs are funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The total remains the same, however the federal discount rate for FY 2010-11 has decreased.

EXPENDITURES:

(in 000's)	2009-10 County Admin.	2010-11 County Admin.
Total	$269	$269
Federal	97	95
State	172	174
County	0	0
Reimbursements	0	0

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Total Child Welfare Training Program

DESCRIPTION:

This premise reflects the costs for providing a statewide coordinated training program designed specifically to meet the needs of county child protective services social workers assigned to emergency response, family maintenance, family reunification, permanent placement, and adoptions responsibilities. The training program was established by Senate Bill (SB) 834 (Chapter 1310, Statutes of 1987), and extended permanently by SB 1125 (Chapter 1203, Statutes of 1991).

The Total Child Welfare Training Program includes training for other agencies under contract with County Welfare Departments to provide child welfare case management services. The program also includes crisis intervention, investigative techniques, rules of evidence, indicators of abuse and neglect, assessment criteria, intervention strategies, family-based services, legal requirements of child protection, case management, and the use of community resources.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1988.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16200 through 16215.
- The implementation of regional training academies started in 1996.
- Funding is based on contract amounts entered into by the California Department of Social Services.

METHODOLOGY:

The estimates for Fiscal Year (FY) 2009-10 and FY 2010-11 are based on contract costs.

FUNDING:

After the foster care federal discount rate is applied federally-eligible costs are shared at 75 percent federal and 25 percent state, with the exception of various contracts which use federal Title IV-E funds with an in-kind match. Nonfederally eligible costs are funded with 100 percent General Fund (GF).

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is based on updated actuals.

Total Child Welfare Training Program

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$23,327	$23,786
Federal	14,763	15,322
State	8,564	8,464
County	0	0
Reimbursements	0	0

Substance Abuse/HIV Infant Program

DESCRIPTION:

This premise reflects the costs for the recruitment, special training, and respite care for specially recruited and trained foster family providers caring for children with medical problems related to drug or alcohol exposure or to Acquired Immune Deficiency Syndrome (AIDS). Originally established as a demonstration project by Senate Bill (SB) 1173 (Chapter 1385, Statutes of 1989) and Assembly Bill (AB) 2268 (Chapter 1437, Statutes of 1989), the program was extended by SB 1050 (Chapter 296, Statutes of 1993) and made into a permanent program in 1997 by AB 67 (Chapter 606, Statutes of 1997). AB 2037 (Chapter 799, Statues of 2000) revised the age for children participating in this program from age three to age five for those counties that have participated in the program for at least three years.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1989.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16525.10 through 16525.30.
- This program is available to any county requesting participation pursuant to established procedures and to the extent funds are available. Currently, there are ten counties that are participating in this program (Alameda, Butte, Contra Costa, Glenn, Monterey, San Diego, San Francisco, San Luis Obispo, Santa Cruz, and Shasta).
- This estimate reflects costs for only nine non-Title IV-E Waiver counties.

METHODOLOGY:

The foster care federal discount rate of 71 percent for Fiscal Year (FY) 2009-10 and FY 2010-11 was applied to the training and recruitment components. The Title IV-E Waiver county's base is reflected in Item 153 Title IV-E Waiver.

FUNDING:

Respite care is funded 70 percent General Fund (GF) and 30 percent county funds. The training and recruitment components are funded with 75 percent and 50 percent federal funds, respectively, after the foster care federal discount rate is applied. The nonfederal portion is funded 70 percent GF and 30 percent county funds.

Substance Abuse/HIV Infant Program

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There was an increase in the federally eligible components.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$5,022	$5,022
Federal	1,594	1,630
State	2,399	2,374
County	1,029	1,018
Reimbursements	0	0

Child Welfare Services – Pass-Through Title IV-E Costs

DESCRIPTION:

This premise reflects the pass-through of federal Title IV-E funds for probation and other public agency administrative costs, foster parent training, and social work training as described below.

IMPLEMENTATION DATE:

Probation Costs	June 1991
Social Work Training	Fiscal Year (FY) 1992-93
Other Public Agencies	FY 2003-04
Social Worker/County Counsel Training	FY 2005-06
Foster and Kinship Care Education Program* (Community College Chancellor's Office)	FY 2005-06

*Incorporates the Foster Parent Training Fund (FY 1990-91) and the Foster Parent Training (FY 1998-99)

KEY DATA/ASSUMPTIONS:

For FY 2009-10 and FY 2010-11, the Probation Costs estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

This premise includes the combined estimated expenditures for the following five Title IV-E pass-through costs:

- **Probation Costs** – The state received federal approval to pass through Title IV-E administration funds for county probation staff activities that are similar to the Title IV-E eligible tasks of county social services workers. This federal funding source will be passed through to the county probation departments for their federally-eligible activities related to probation supervised cases in foster care and the Title IV-E eligible training of probation staff that complete case management activities on behalf of these children.
- **Other Public Agencies** – The federal government allows Title IV-E reimbursement for administrative activities associated with pre-placement prevention. Under current California Department of Social Services (CDSS) regulations and specified conditions, counties may pass on Title IV-E funds to other county public agencies, such as Education or Mental Health, who perform eligible administrative activities for children at risk of, or currently placed in foster care. This pass-on provision does not apply to similar activities performed by private non-profit organizations.

Child Welfare Services – Pass-Through Title IV-E Costs

- **Foster and Kinship Care Education Program (Community College Chancellor's Office)** – Effective in FY 2005-06, the Foster Parent Training Fund was incorporated into the Community College Proposition 98 fund. Title IV-E funds will be accessed by using the Community College Proposition 98 funds as match for the purpose of reimbursing the California Community Colleges Chancellor's Office for providing education and training to foster parents and kinship care providers. This program is conducted through community colleges in consultation with CDSS and key state foster and caregiver associations. Statutes that relate to the type of education and training this program delivers include: Senate Bill 2003 (Chapter 1597, Statutes of 1984); Assembly Bill (AB) 3062 (Chapter 1016, Statutes of 1996); AB 2307 (Chapter 745, Statutes of 2000); and AB 458 (Chapter 331, Statutes of 2003).
- **Social Worker Training** – An agreement between CDSS, the University of California and the California State University (CSU) was implemented for a statewide training program to increase the number of social workers employed in California county welfare departments. This effort was initiated due to the shortage of professionals in public child welfare services, especially those holding a master's degree in social work.

  Currently, there are 19 schools of social work participating. CSU Fullerton is new for FY 2009-10. Funding is provided with Title IV-E federal funds, with an in kind match provided by the state universities.

- **Social Worker/County Counsel Training** – The training will be coordinated and overseen by the Administrative Office of the Courts (AOC) through a contract with statewide and local training providers to provide short-term training to enhance social worker and county counsel's understanding of the judicial determination process and necessary court findings on behalf of children in foster care.

FUNDING:

Costs represent 100 percent federal Title IV-E funds and no state share of costs.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to an increase in federal authority for a stipend contract with CSU Fullerton. Additionally, participating schools will serve additional students and the part-time student numbers will increase. There is also a ten percent projected increase in tuition, fees and books.

Child Welfare Services – Pass-Through Title IV-E Costs

EXPENDITURES:

(in 000's)

COMBINED TOTAL:	2009-10 County Admin.	2010-11 County Admin.
Total	$189,187	$191,213
Federal	189,187	191,213
State	0	0
County	0	0
Reimbursements	0	0

DETAILED TOTALS:

Probation:	2009-10 County Admin.	2010-11 County Admin.
Total	$147,684	$147,683
Federal	147,684	147,683
State	0	0
County	0	0
Reimbursements	0	0

Other Public Agencies:	2009-10 County Admin.	2010-11 County Admin.
Total	$2,915	$2,915
Federal	2,915	2,915
State	0	0
County	0	0
Reimbursements	0	0

Foster and Kinship Care Education Program	2009-10 County Admin.	2010-11 County Admin.
Total	$6,112	$5,927
Federal	6,112	5,927
State	0	0
County	0	0
Reimbursements	0	0

Social Worker Training	2009-10 County Admin.	2010-11 County Admin.
Total	$31,590	$33,802
Federal	31,590	33,802
State	0	0
County	0	0
Reimbursements	0	0

Child Welfare Services – Pass-Through Title IV-E Costs

EXPENDITURES:

(in 000's)

DETAILED TOTALS (CONTINUED):

AOC Social Worker/County Counsel Training:	2009-10 County Admin.	2010-11 County Admin.
Total	$886	$886
Federal	886	886
State	0	0
County	0	0
Reimbursements	0	0

Foster Parent Training and Recruitment

DESCRIPTION:

This premise reflects the costs for the enhanced statewide Foster Parent Training and Recruitment Program. As part of the Foster Care Initiative, Assembly Bill (AB) 2129 (Chapter 1089, Statutes of 1993), required the California Department of Social Services to develop and implement an expanded Foster Parent Training and Recruitment Program. The expanded program provides specialized training for foster parents of children with special care needs, and specific recruitment activities for minority and sibling placements.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 903.8.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

For Fiscal Year (FY) 2009-10 and FY 2010-11 the General Fund (GF) costs for the non-Title IV-E Waiver counties are held at the Budget Act of 2009 Appropriation level. The Title IV-E Waiver counties base is reflected in Item 153 Title IV-E Waiver.

FUNDING:

This program is eligible for Title IV-E federal funding. For FY 2009-10 and FY 2010-11 the foster care federal discount rate is 71 percent. After the discount rate is applied, costs are shared 75 percent federal and 25 percent nonfederal for the training costs, and 50 percent federal and 50 percent nonfederal for the recruitment costs. The nonfederal shares are funded 100 percent GF. The funds are evenly distributed to each component of the program.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Foster Parent Training and Recruitment

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$2,419	$2,419
Federal	1,092	1,092
State	1,327	1,327
County	0	0
Reimbursements	0	0

Foster and Adoptive Family Recruitment Campaign

DESCRIPTION:

This premise reflects funding to launch a seven to ten county recruitment campaign to increase the number of available quality foster parents. The California Department of Social Services (CDSS) is required in the Child and Family Services Review (CFSR) Program Improvement Plan (PIP) to develop and initiate a statewide campaign to recruit and retain resource (foster and adoptive) families. The PIP requires this campaign to be launched by December 2010 in order to avoid fiscal penalties. CDSS will utilize the funds to support the development and initiation of statewide recruitment strategies on a roll-out basis. This would include fiscal support to counties who would be implementing changes at the county level.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2010.

KEY DATA/ASSUMPTIONS:

Seven to ten counties will participate in Fiscal Year (FY) 2010-11. These counties will develop and test the strategies identified:

- Website Augmentation – the preliminary costs associated with augmenting the website, increased administration and security.
- Adoption Navigators – to expand the number of part-time navigators to handle the increased volume due to website augmentation. Navigators provide intensive services to assist and support families as they navigate through the adoption process.
- Printing – the premise request is for 20,000 flyers and 20,000 brochures utilized for foster and adoptive recruitment efforts.
- Develop and implement New Curriculum for Social Worker Customer Service – to improve interaction and relationships to current and potential foster and adoptive families.

METHODOLOGY:

For FY 2010-11 the estimated cost is based on anticipated contract costs.

FUNDING:

After the foster care federal discount rate of 71 percent is applied, federally-eligible costs are shared 50 percent federal and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

Foster and Adoptive Family Recruitment Campaign

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	$0	$185
Federal	0	66
State	0	119
County	0	0
Reimbursements	0	0

Minor Parent Services and Investigations

DESCRIPTION:

This premise reflects the costs for a program designed to discourage teen pregnancy and encourage appropriate parenting of teen parents and their children. As established by Assembly Bill 908 (Chapter 304, Statutes of 1995), the guidelines require pregnant and parenting teens to live with their parents or legal guardians as a condition for receiving welfare benefits unless specific conditions exist. Teen parents not living at home will live in an appropriate, supervised setting. Minor Parent Services (MPS) will be provided if deemed necessary.

IMPLEMENTATION DATE:

The investigative part of this premise implemented on May 1, 1997.

The MPS part of this premise implemented on June 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code (W&IC) sections 11254, 16504(b), and 16506.
- It is assumed that any situations of abuse or neglect under W&IC section 300 requiring a foster care living arrangement resulting from this investigation are already reflected in Child Welfare Services (CWS) and Foster Care caseload trends.
- It is assumed that a social worker will spend four hours investigating each case. The four hours include one and one-half hours each for two client contacts (teen parent and the teen parent's parent(s) or legal guardian), including interviews and documentation. An additional hour is allocated for travel and time to prepare a report of the social worker's findings.
- Based on historical family maintenance data, it is assumed that minor parents (mostly those at 17 years of age) will be allowed to form their own assistance units (AUs) and receive MPS. The estimated number of minor parents approved for their own AUs at age 17 is based on application survey data. An average of six months of services is estimated for each case.

METHODOLOGY:

The total funding for both Fiscal Years (FYs) 2009-10 and 2010-11 is being held at the Budget Act of 2009 Appropriation level.

FUNDING:

The costs of performing the investigations and providing MPS are eligible for 50 percent funding under the Temporary Assistance for Needy Families block grant. All nonfederal costs are shared 70 percent state and 30 percent county.

Minor Parent Services and Investigations

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change in the combined total; however, based on actual expenditures, the investigations and minor parent services costs are updated.

EXPENDITURES:

(in 000's)

COMBINED TOTAL:	2009-10	2010-11
	County Admin.	County Admin.
Total	$7,097	$7,097
Federal	3,549	3,549
State	2,483	2,483
County	1,065	1,065
Reimbursements	0	0

Investigations:	2009-10	2010-11
	County Admin.	County Admin.
Total	$4,679	$4,763
Federal	2,340	2,382
State	1,637	1,666
County	702	715
Reimbursements	0	0

Minor Parent Services:	2009-10	2010-11
	County Admin.	County Admin.
Total	$2,418	$2,334
Federal	1,209	1,167
State	846	817
County	363	350
Reimbursements	0	0

Foster Care Infant Rate (SB 500 Amended by SB 720)

DESCRIPTION:

This premise reflects the cost associated with the implementation of Senate Bill (SB) 500 (Chapter 630, Statutes of 2005) and SB 720 (Chapter 475, Statutes of 2007). SB 500 made changes in the way foster care providers are paid for teen parents in placement with their child. It allows for a separate full foster care payment to be paid for the care of a child living in the same foster care facility as that child's minor parent, provided federal financial participation is available and both the child and parent are dependents of the court and receiving reunification services. It creates a new placement option called "whole family foster home," in which care and supervision are provided to dependent teen parents and their non-court dependent children, to ensure the teen parents develop skills necessary to provide a safe, stable, and permanent home for their children. It requires the development of a written "shared responsibility plan" to be created by the foster caregiver and the teen parent in a whole family foster home, and would provide a $200 monthly payment above the current infant supplement for the added care and supervision provided by the foster caregiver to the teen parent and child, pursuant to the shared responsibility plan. SB 720 clarifies that Group Homes will receive the infant supplemental rate for both dependent and non dependent infants who are placed with their dependent mothers rather than a full Group Home rate for the infant. SB 720 also allows infants and mothers living with Non-Related Legal Guardians and related guardians in the Kinship Guardianship Assistance Payment (Kin-GAP) program to be eligible for the increased benefits established in SB 500.

IMPLEMENTATION DATE:

SB 500 implemented on January 1, 2006.

SB 720 which amends SB 500 implemented on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The estimated number of teen moms who are in placement with their children is 408.
- The estimated number of non-dependent infant cases is 265.
- The impact under Item 101 is now in the caseload and grant trends and is no longer estimated separately.
- For Child Welfare Services (CWS) it is assumed that an additional two hours of social work time would be required to develop the written "shared responsibility plan." The caseload for the non-Title IV-E Waiver counties is estimated at 146 cases. The social worker cost per hour is $72.60.

METHODOLOGY:

The caseload is multiplied by the additional social worker hours per case and multiplied by the social worker hourly rate.

Foster Care Infant Rate (SB 500 Amended by SB 720)

FUNDING:

For the non-Title IV-E Waiver counties, after applying the foster care federal discount rate for each Fiscal Year (FY), costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

ITEM 151 – Child Welfare Services	2009-10 County Admin.	2010-11 County Admin.
Total	$22	$22
Federal	8	8
State	10	10
County	4	4
Reimbursements	0	0

Kinship Support Services

DESCRIPTION:

This premise reflects the costs for the grants-in-aid program that provides start-up and expansion funds for local kinship support service programs. As designated by Assembly Bill (AB) 1193 (Chapter 794, Statutes of 1997), the Kinship Support Services Program (KSSP) is to be conducted by the California Department of Social Services (CDSS) with the initial grants being awarded in July 1998 to eight counties. Currently, there are 22 counties participating in the program. These programs are to provide community-based family support services to kinship (relative) caregivers and the children who are placed in their homes by the juvenile court or who are at risk of dependency or delinquency.

Effective in Fiscal Year (FY) 2006-07, the KSSP was augmented by $2.5 million and all counties were allowed to apply for the KSSP funds. The application process requires each interested county to submit a comprehensive proposal outlining how many relative caretakers reside in their county, what services will be provided to relative caretakers and the children in their care, how the county will develop the necessary community supports, how many relative caretakers and children will be served, and what the county outcome improvement goals are for the program. The proposals must also include a description of how each county will measure the success and cost-effectiveness of their program, and how the county will report these measures to CDSS.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16605.
- The participating counties for FY 2009-10 and FY 2010-11 are: Alameda, Contra Costa, El Dorado, Glenn, San Luis Obispo, Sacramento, Los Angeles, Monterey, Riverside, San Bernardino, San Diego, San Francisco, San Mateo, Santa Clara, Fresno, Kern, Napa, Orange, Sonoma, Ventura, Placer and Stanislaus.

METHODOLOGY:

The estimate reflects the amount contained in AB 1193 and the 2006 Budget Act.

FUNDING:

This premise is funded 100 percent with General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Kinship Support Services

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$4,000	$4,000
Federal	0	0
State	4,000	4,000
County	0	0
Reimbursements	0	0

Kinship/Foster Care Emergency Funds

DESCRIPTION:

This premise reflects the cost to provide emergency funds to relative caregivers and foster parents. The program primarily offers one-time assistance for necessary housing needs, such as extra beds and clothing. Short-term support services, such as crisis counseling, are also provided to prevent children from entering or re-entering the child welfare system.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2000.
- The California Department of Social Services received policy clarification from the federal Department of Health and Human Services that administrative costs for beds, cribs, and smoke detectors that are needed in order to license or approve a foster family home are allowable under Title IV-E.
- This estimate reflects costs for only the 56 non Title IV-E Waiver counties.

METHODOLOGY:

For Fiscal Year (FY) 2009-2010 and FY 2010-11, the non-Title IV-E Waiver counties are held at the Budget Act of 2009 Appropriation level. The Title IV-E Waiver counties base is now reflected in Item 153 Title IV-E Waiver.

FUNDING:

For FY 2009-10 and FY 2010-11 the federal discount rate is 71 percent. After the foster care federal discount rate is applied, costs are shared 50 percent federal and 50 percent nonfederal. The nonfederal shares are funded 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Kinship/Foster Care Emergency Funds

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$1,422	$1,422
Federal	505	505
State	917	917
County	0	0
Reimbursements	0	0

Child Welfare Services/Case Management System Staff Development

DESCRIPTION:

This premise reflects the cost to fund staff development for the Child Welfare Services/Case Management System (CWS/CMS) which was implemented as a result of Senate Bill 370 (Chapter 1294, Statutes of 1989). The estimate includes costs for five training components plus costs to maintain three training tools in order to continue to provide a statewide CWS/CMS training curriculum and classes. This statewide training promotes user continuity and consistency to meet Statewide Automated Child Welfare Information System requirements.

IMPLEMENTATION DATE:

This premise was implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- The estimate includes training costs for all new users as a result of user growth and staff turnover.
- The cost per hour of training is $48.07 for each fiscal year.
- The estimate assumes an 11.5 percent staff turnover rate.
- There are 15,819 budgeted users for each fiscal year.
- The estimate includes costs for five training components:
  - **New User Training** – provides 44 hours of basic training for newly hired staff as a result of staff turnover;
  - **Intermediate/Advanced Training** – provides 16 hours of training to service providers on the more difficult tasks not covered in the new user training;
  - **Management/Supervisory Training** – provides 16 hours of training to management on the supervisory process of approvals and program management reports;
  - **System Support Training** – provides 24 hours of training to newly hired system support staff as a result of caseload growth and staff turnover in order to assist other users as needed; and,
  - **Database Training** – provides 24 hours of training to staff responsible for extracting and interpreting caseload data.
- Costs are also included for statewide contracted training needs.

Child Welfare Services/Case Management System Staff Development

METHODOLOGY:

Costs are calculated for each training component by multiplying the number of users being trained by the number of hours of training at the hourly cost for training. Costs are then added for the statewide contracted training needs.

Fiscal Year (FY) 2009-10 and FY 2010-11: (1,819 New Users x 44 hours x $48.07) + (1,559 Intermediate/Advanced Users x 16 hours x $48.07) + (195 Management/Supervisory Users x 16 hours x $48.07) + (55 System Support Users x 24 hours x $48.07) + (29 Database Users x 24 hours x $48.07). For the statewide contract costs, $3,000,000 is added in each FY in order to meet the total contract commitment.

FUNDING:

After applying the foster care federal discount rate, costs are shared according to California's federally approved Cost Allocation Plan (CAP) which allocates costs to all benefiting CWS programs based on statewide county worker time study hours.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year costs are shared based on an updated CAP, and the federal discount rate has decreased.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$8,294	$8,294
Federal	4,451	4,366
State	2,753	2,793
County	739	747
Reimbursements	351	388

Child Welfare Services/ Case Management System (CWS/CMS) Maintenance and Operation (M&O) Project

DESCRIPTION:

This premise reflects the costs related to the ongoing and administrative support of the Child Welfare System/Case Management System (CWS/CMS). As mandated by Senate Bill 370 (Chapter 1294, Statutes of 1989), the CWS/CMS provides a comprehensive database, case management tool, and reporting system for the CWS Program. It contains both current and historical information for all children statewide in emergency response, family maintenance, family reunification, and permanent placement. CWS/CMS also includes information regarding adoptions to produce the semiannual adoption and foster care analysis reporting system reports.

CWS/CMS provides: (1) immediate statewide data on referrals for children at risk of abuse, neglect or exploitation; (2) immediate case status and case tracking for children and families receiving child welfare services; (3) necessary information and forms required to determine eligibility for the Aid to Families with Dependent Children - Foster Care Program; (4) tracking for all placement activities for children in foster care; and (5) issuance of the appropriate notice of action messages, court reports, and service plans. The system also produces all required state and federal reports. State level project management for CWS/CMS is provided by the Office of Systems Integration (OSI). OSI administers the projects under an interagency agreement with the California Department of Social Services (CDSS).

IMPLEMENTATION DATE:

This premise became effective Fiscal Year (FY) 1995-96.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- Costs represent ongoing M&O costs associated with support and oversight of the CWS/CMS.
- Costs include the wide-area network maintained by the Office of Technology Services (OTech), OSI administrative support, and vendor costs related to operation, support, and maintenance of the application and technical architecture.

METHODOLOGY:

Costs are based on the FY 2010-11 M&O Plan.

FUNDING:

The cost allocation included in this document is based on the CDSS Operational Cost Allocation Plan approved by the Division of Cost Allocation/Department of Health and Human Services.

Child Welfare Services/ Case Management System (CWS/CMS) Maintenance and Operation (M&O) Project

CHANGE FROM THE APPROPRIATION:

The FY 2009-10 costs have been adjusted for Employee Compensation and Retirement.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in FY 2010-11 is due to adjustments for Pro Rata, Employee Compensation, and Retirement.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$81,765	$82,931
Federal	40,654	41,255
State	37,293	37,803
County	0	0
Reimbursements	3,818	3,873

CDSS/OSI PARTNERSHIP:

(in 000's)

	2009-10	2010-11
Total	$81,765	$82,931
CDSS	36,193	36,193
OSI	45,572	46,738

Child Welfare Services/ Case Management System (CWS/CMS) CWS/Web Project

DESCRIPTION:

This premise reflects the costs related to the implementation of the Child Welfare Services/Case Management System (CWS/CMS) CWS/Web Project. The CWS/Web will be developed using a web services-based technical architecture and include the redevelopment of current functionality and development of the four unfulfilled Statewide Automated Child Welfare Information Systems requirements on the new architecture. Where appropriate, improvements will be made during the redevelopment of the current functionality to address business and user needs. The CWS/Web will include improvements that take advantage of the capabilities of the new architecture, while not changing the way the state and counties conduct business. The current CWS/CMS will be maintained during the development and decommissioned upon statewide implementation of the CWS/Web.

IMPLEMENTATION DATE:

This premise became effective Fiscal Year (FY) 2006-07.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- Costs represent CWS/Web costs associated with support and oversight of the CWS/CMS.
- Costs include staffing, operating expenses and equipment, consultant services, Department of General Services fees, and administrative overhead in support of the CWS/Web development.

METHODOLOGY:

Costs are based on the July 2009 Special Project Report submitted to the Office of the Chief Information Officer (OCIO) and corresponding Supplementary Premise Information (SPI) submitted to the Department of Finance in September 2009. Costs are also associated with policy adjustments.

FUNDING:

The cost allocation included in this document is based on the California Department of Social Services (CDSS) Operational Cost Allocation Plan approved by the Division of Cost Allocation/Department of Health and Human Services.

CHANGE FROM THE APPROPRIATION:

The FY 2009-10 costs have been adjusted for Employee Compensation and Retirement.

Child Welfare Services/ Case Management System (CWS/CMS) CWS/Web Project

REASON FOR YEAR-TO-YEAR CHANGE:

The changes in FY 2010-11 is due to an increase in staff, operating expenses and equipment, software, contract services and administrative overhead partially offset by reductions to DGS Fees and consultant services. FY 2010-11 costs have also been adjusted for Retirement, Employee Compensation, and Pro Rata.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$7,103	$9,393
Federal	3,552	4,698
State	3,219	4,257
County	0	0
Reimbursements	332	438

CDSS/OSI PARTNERSHIP:

(in 000's)

	2009-10	2010-11
Total	$7,103	$9,393
CDSS	821	821
OSI	6,282	8,572

Child Health and Safety Fund

DESCRIPTION:

This premise reflects the distribution of funding to counties from the Child Health and Safety Fund (CHSF) for child abuse prevention in the community. Assembly Bill 3087 (Chapter 1316, Statutes of 1992) established the CHSF for specified purposes. Monies for this activity are generated through the Department of Motor Vehicles' (DMV) "Have a Heart, Be a Star, Help our Kids" license plate program pursuant to Vehicle Code Section 5072.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code (W&IC) section 18285.
- Of the license plate monies, up to 25 percent may be used for child abuse prevention, and of that 25 percent, 90 percent (i.e., 22.5 percent of the total plate revenue) is to be provided to counties (county children's trust funds) for support of child abuse prevention services in the community [W&IC section 18285(e)(1)].
- The total actual CHSF license plate revenue for Fiscal Year (FY) 2007-08 was $4,008,000 and for FY 2008-09 the revenue was $4,084,000.

METHODOLOGY:

- Using FY 2007-08 actual revenue multiplied by 1.40 as the estimate for FY 2009-10 plates' revenue (and appropriating a portion of the fund balance which accrued in the early years of the fund), 22.5 percent will be transferred to the counties for child abuse prevention activities ($ 4,008,000 x 1.40 x 22.5 percent = $1,262,520) for FY 2009-10.
- Using FY 2008-09 actual revenue multiplied by 1.37 as the estimate for FY 2010-11 plates' revenue (and appropriating a portion of the fund balance which accrued in the early years of the fund), 22.5 percent will be transferred to the counties for child abuse prevention activities ($4,084,000 x 1.37 x 22.5 percent = $1,259,812).

FUNDING:

All funds are provided by the CHSF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is based on updated actual revenues.

Child Health and Safety Fund

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$1,263	$1,260
Federal	0	0
State	1,263	1,260
County	0	0
Reimbursements	0	0

Supportive and Therapeutic Options Program (STOP)

DESCRIPTION:

This premise reflects costs for providing expanded therapeutic day services as an alternative to placement in foster care and as a means of reunifying children in foster care placement with their families. These services are provided to families with children and youth returning from out-of-home placement or at-risk of such placements that cannot access services through current mental health services or other funding mechanisms. Services target a broader number of children than the current child welfare services population, such as children and youth at-risk of placement and those exiting foster care. Funds provide supportive and therapeutic services to prevent placement in out-of-home care and/or provide aftercare services to facilitate a successful transition to home or community from out-of-home care placements.

IMPLEMENTATION DATE:

This premise implemented in August 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16500, 16508.2, and 16508.3.
- The Department of Mental Health's annual cost for mental health services per child is assumed to be $6,130 in Fiscal Year (FY) 2009-10 and $6,380 in FY 2010-11.

METHODOLOGY:

The funding for FY 2009-10 and FY 2010-11 is being held to the Budget Act of 2009 Appropriation level. Initially, the cost for this program was calculated by multiplying the estimated number of children to be served by the cost per case for mental health services.

FUNDING:

This premise is shared 70 percent state and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Supportive and Therapeutic Options Program (STOP)

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$14,220	$14,220
Federal	0	0
State	9,954	9,954
County	4,266	4,266
Reimbursements	0	0

Group Home Monthly Visits

DESCRIPTION:

This premise reflects the costs of providing monthly visits to all foster care children placed in group homes (GHs), both in-state and out-of-state. This premise was authorized by Senate Bill 933 (Chapter 311, Statutes of 1998).

IMPLEMENTATION DATE:

This premise implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16516.5.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The in-state GH caseload is projected to be 6,306 for Fiscal Year (FY) 2009-10 and 5,734 for FY 2010-11 based on data as reported on the Child Welfare Services/Case Management System. The out-of-state GH caseload is estimated at 127 for FY 2009-10 and 182 for FY 2010-11.
- The hourly cost of a social worker is $72.60 for each fiscal year.
- For the out-of-state placements, it is assumed that an average of two cases can be visited per trip.
- All GH placements will receive ten additional visits per year.
- In-state visits will take an average of two hours per visit and out-of-state visits will take an average of 12 hours to visit two cases.
- Based on caseload data for in-state GH placements, 3,217 cases are placed out-of-county for FY 2009-10, and 2,914 cases for FY 2010-11. For each FY, these cases have been budgeted to include an additional two hours of travel time.
- For both fiscal years, out-of-state per diem costs are estimated at $124 and out-of-state travel costs are estimated at $500.

METHODOLOGY:

- For each fiscal year, the in-state costs for ten visits are calculated using the in-state GH caseload for two hours per visit multiplied by the hourly cost of a social worker.
- An additional two hours are calculated for the in-state, out-of-county placements at the hourly cost of a social worker.
- The out-of-state costs for ten visits are calculated using the out-of-state GH caseload divided by two (two cases per visit) for 12 hours per visit multiplied by the hourly cost of a social worker.
- Per diem and travel costs are added for each out-of-state visit.

Group Home Monthly Visits

FUNDING:

After the foster care federal discount rate of 71 percent for FY 2009-10 and FY 2010-11 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is a decrease in the in-state caseload.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$10,570	$10,105
Federal	3,752	3,587
State	6,818	6,518
County	0	0
Reimbursements	0	0

Caregiver Court Filing (SB 1667)

DESCRIPTION:

This premise reflects the cost for county social workers to instruct caregivers on how to file a Caregiver Information Form with the court at each status review hearing as a result of Senate Bill (SB) 1667 (Chapter 389, Statutes of 2006). This bill requires a social worker to provide the child's caregiver a copy of the Caregiver Information Form in the caregiver's primary language when available and information regarding filing the form with the court.

IMPLEMENTATION DATE:

The premise was implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: SB 1667 (Chapter 389, Statutes of 2006).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- Status review hearings are held every six months.
- The foster family home, small family home, relative home, and guardian home caseload is estimated at 26,161 for Fiscal Year (FY) 2009-10 and 25,706 for FY 2010-11.
- Ten percent of the caseload will submit the Caregiver Information Form, requiring 15 minutes of social worker instruction time.
- The average hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by 0.25 of the hourly cost of a social worker which is then multiplied by two hearings per year.

FUNDING:

After the foster care federal discount rate of 71 percent for FY 2009-10 and FY 2010-11 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

Caregiver Court Filing (SB 1667)

REASON FOR YEAR-TO-YEAR CHANGE:

There is a decrease in caseloads.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$95	$93
Federal	34	33
State	61	60
County	0	0
Reimbursements	0	0

Criminal Records Check for FR (AB 1774)

DESCRIPTION:

This premise reflects the cost to conduct background checks on parents wishing to reunify with their child as a result of Assembly Bill (AB) 1774 (Chapter 726, Statutes of 2006). AB 1774 expands the purposes for which criminal offender record information can be obtained to include assessing a parent's suitability to reunify with their child, provided that the parent's consent to fingerprint submission has been obtained. Courts would be allowed to consider the criminal history of a parent at review and permanency hearings.

IMPLEMENTATION DATE:

The premise implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 1774 (Chapter 726, Statutes of 2006).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- Family Reunification (FR) cases can be subject to up to three review and permanency hearings before termination of parental rights is considered, however, it is assumed that criminal records checks will only be performed once.
- The FR average monthly caseload is projected at 14,473 for Fiscal Year (FY) 2009-10 and 13,861 for FY 2010-11.
- The cost for a Department of Justice background check is $32 along with a Live Scan fingerprinting fee of $16 per check.
- The Federal Bureau of Investigations background check is $24.

METHODOLOGY:

The FR caseload for each FY is multiplied by $72.

FUNDING:

After the foster care federal discount rate of 71 percent for FY 2009-10 and FY 2010-11 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROMTHE APPROPRIATION:

There is no change.

Criminal Records Check for FR (AB 1774)

REASON FOR YEAR-TO-YEAR CHANGE:

There is a decrease in caseload.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$1,042	$998
Federal	370	354
State	672	644
County	0	0
Reimbursements	0	0

Background Checks

DESCRIPTION:

This premise reflects the cost associated with conducting background checks prior to placing children in the home of a relative, or the home of any other person who is not a licensed foster parent. Pursuant to Assembly Bill 1695 (Chapter 653, Statutes of 2001), all unlicensed foster parents must meet the same standards set forth in regulations for the licensing of foster family homes. Therefore, all unlicensed foster parents will be subject to a background check to be conducted through the Child Abuse Central Index, the Department of Justice and the Federal Bureau of Investigations.

IMPLEMENTATION DATE:

This premise was implemented on January 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 361.4.
- The caseload for Fiscal Year (FY) 2009-10 is 21,825, based on new placement data for Calendar Year (CY) 2008. The caseload for FY 2010-11 is 21,190, based on new placement data for the one year period April 2008 to March 2009.
- Based on information from the California Welfare Directors Association, it is assumed that an average of 1.56 children is placed per home.
- It is assumed that an average of two persons in the home will require background checks.
- The cost for the Child Abuse Central Index check is estimated at $15 per check.
- The cost for a Department of Justice background check is $32 and there is a Live Scan fingerprint fee of $16 per check.
- The Federal Bureau of Investigations background check is $24.

METHODOLOGY:

The costs are calculated by dividing the caseload by number of placements per home, multiplied by two persons in the home requiring background checks, multiplied by the cost for background checks.

FUNDING:

After the foster care federal discount rate of 72 percent for FY 2009-10 and 71 percent for FY 2010-11 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

Background Checks

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate and caseload have decreased.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$2,434	$2,363
Federal	876	839
State	1,558	1,524
County	0	0
Reimbursements	0	0

Relative Home Approvals

DESCRIPTION:

This premise reflects the cost associated with conducting an in-home approval prior to placing children in the home of a relative or the home of a non-relative extended family member (Initial Approvals). This premise also reflects the cost of conducting an annual visit for continued approval of a relative home (Annual Approvals). Assembly Bill (AB) 1695 (Chapter 653, Statutes of 2001) requires the county welfare department to conduct an in-home inspection to assess the safety of the home and the ability of the relative to care for the child's needs. The bill stipulates that the standards used to evaluate and grant or deny approval of the home of the relative shall be the same standards set forth in regulations for the licensing of foster family homes. However, all homes will require an annual reassessment as opposed to targeted visits for continued licensure of foster family homes.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2002.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 309(d).
- The initial assessment caseload for Fiscal Year (FY) 2009-10 is 21,825, based on placement data for Calendar Year 2008. The initial assessment caseload for FY 2010-11 is 21,190, based on new placement data for the one year period April 2008 to March 2009.
- The existing caseload for FY 2009-10 is 28,699 based on placement data for June 2008. The existing caseload for FY 2010-11 is 25,355 based on placement data for June 2009.
- Based on information from the California Welfare Directors Association (CWDA), it is assumed that an average of 1.56 children is placed per home.
- Based on information from CWDA, it is assumed to take an average of nine and a half hours to complete the additional activities associated with conducting an initial approval equivalent to the licensure of a foster family home. This includes 30 minutes to check the Licensing Administrative Action Records System (LAARS) as part of the background check process.
- It is estimated that approximately 1.0 percent of LAARS searches of new applicants will result in a match, with each match requiring 4 hours to complete the document review.
- It is assumed to take an average of three hours to conduct an annual visit for re-approval of the home.
- The hourly cost of a social worker is $72.60 for each FY.

Relative Home Approvals

METHODOLOGY:

Costs for the initial assessments are calculated by 1) Dividing the caseload by the number of children per home, multiplied by the number of hours for approval, multiplied by the hourly cost of a social worker, plus 2) Multiplying the number of LAARS matches of new applicants by the additional hours of document review, multiplied by the hourly cost of a social worker.

Costs for annual re-approvals are then calculated by multiplying the re-approval caseload, multiplied by the time to conduct annual visit, multiplied by the hourly cost of a social worker.

FUNDING:

After the foster care federal discount rate of 72 percent for FY 2009-10 and 71 percent for FY 2010-11 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The caseloads and the foster care federal discount rate have decreased.

EXPENDITURES:

(in 000's)

Initial Approvals:	2009-10	2010-11	**Annual Approvals:**	2009-10	2010-11
	County Admin.	County Admin.		County Admin.	County Admin.
Total	$9,648	$9,368	Total	$3,684	$3,579
Federal	3,473	3,326	Federal	1,326	1,271
State	4,322	4,229	State	1,651	1,616
County	1,853	1,813	County	707	692
Reimbursements	0	0	Reimbursements	0	0

Relative Home Approvals

EXPENDITURES (CONTINUED):

(in 000's)

COMBINED TOTAL:	2009-10	2010-11
	County Admin.	County Admin.
Total	$13,332	$12,947
Federal	4,799	4,597
State	5,973	5,845
County	2,560	2,505
Reimbursements	0	0

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Multiple Relative Home Approvals

DESCRIPTION:

This premise reflects the cost associated with conducting additional approvals when more than one relative or non-related extended family member is seeking to have related foster children placed with them. These additional approvals of all willing relatives or non-related extended family members are necessary in order to fairly establish viable placement options and to better enable the State to meet the federal Adoption and Safe Families Act requirement that approval of relative homes be in compliance with foster family home licensing/approval standards.

IMPLEMENTATION DATE:

This premise implemented on December 1, 2002.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 309(d).
- The caseload for Fiscal Year (FY) 2009-10 is 21,825, based on placement data for Calendar Year 2008. The new caseload for FY 2010-11 is 21,190, based on new placement data for the one year period April 2008 to March 2009.
- Based on information from the California Welfare Directors Association (CWDA), it is assumed that an average of 1.56 children is placed per home.
- It is assumed that 30 percent of the placements have more than one party interested in receiving the placement.
- It is assumed that there are two to three (2.5 average) interested parties per placement. Therefore, since the “Relative Home Approvals” premise already provides for one assessment, there is an average of 1.5 additional homes that require approvals.
- Based on information from CWDA, it is assumed to take an average of 15.5 hours to assess each home for approval. This includes an additional 30 minutes to check the Licensing Administrative Action Records System (LAARS) as part of the background check process.
- It is assumed that approximately 1.0 percent of LAARS searches of new applicants will result in a match, with each match requiring 4 hours to complete the document review.
- The hourly cost of a social worker is $72.60 for both fiscal years.

METHODOLOGY:

The number of approvals to be conducted is calculated by dividing the caseload by the average placements per home, then multiplying by the percentage of placements with multiple interest, multiplied by the additional homes requiring approval. Annual costs are calculated by multiplying the number of approvals by the number of hours per approval multiplied by the hourly cost of a social worker, then adding, the amount determined by multiplying the number of LAARS matches by the additional hours of review by the hourly cost of a social worker.

Multiple Relative Home Approvals

FUNDING:

After the foster care federal discount rate of 72 percent for FY 2009-10 and 71 percent for FY 2010-11 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

Caseload has decreased and the foster care federal discount rate has decreased.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$7,102	$6,895
Federal	2,557	2,448
State	3,182	3,113
County	1,363	1,334
Reimbursements	0	0

Grievance Review for Relatives

DESCRIPTION:

This premise reflects the cost associated with providing a review process upon request for relatives seeking to have related foster children placed with them but who have been determined not to meet approval standards established by law and regulation. Making a grievance review available to relatives disapproved prior to placement is necessary to afford due process through an objective review of the basis for the disapproval and to better enable the state to meet the federal Adoption and Safe Families Act requirement that approval of relative homes be in compliance with foster family home licensing/approval standards.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 309(d).
- The caseload for Fiscal Year (FY) 2009-10 is 21,825, based on new placement data for Calendar Year 2008. The caseload for FY 2010-11 is 21,190, based on new placement data for the one year period April 2008 to March 2009.
- Based on information from the California Welfare Directors Association, it is assumed that an average of 1.56 children is placed per home.
- It is assumed that 30 percent of the placements have more than one party interested in receiving the placement.
- It is assumed that there are two to three (2.5 average) interested parties per placement.
- It is assumed that 45 percent of homes will be disapproved.
- It is assumed that 20 percent of those whose homes are disapproved will request a review.
- It is assumed that it will take an average of eight hours to review each case.
- The hourly cost of a social worker is $72.60 for both fiscal years.

METHODOLOGY:

The number of reviews to be conducted is calculated by dividing the caseload by the average placements per home, then multiplying by the percentage of placements with multiple interest, multiplied by the average interested parties per placement, then multiplying by the percent of homes that are disapproved and the percent of those requesting a review. Annual costs are calculated by multiplying the number of reviews by the number of hours per review multiplied by the hourly cost of a social worker.

Grievance Review for Relatives

FUNDING:

After the foster care federal discount rate of 72 percent for FY 2009-10 and 71 percent for FY 2010-11 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The caseload has decreased and the foster care federal discount rate has decreased.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$548	$532
Federal	197	189
State	246	240
County	105	103
Reimbursements	0	0

Live Scan Technology

DESCRIPTION:

This premise reflects the cost to maintain Live Scan machines in the 58 county child welfare services agencies for the Foster Care program. Before a child can be placed in a foster home or an unlicensed relative or guardian home, caregivers must clear a criminal record check. Live Scan technology provides the capability to do instantaneous criminal record checks from fingerprints. Providing and maintaining Live Scan machines to the child welfare agencies allows for immediate onsite fingerprint processing.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Assembly Bill 1740 (Chapter 52, Statutes of 2000).
- The 58 counties were provided funds to purchase 100 Live Scan machines in Fiscal Year (FY) 2000-01.
- Costs are negotiated and contracted with a Live Scan vendor by each of the counties.
- Contract costs for on-going maintenance were based on an existing Live Scan contract for Community Care Licensing activities.

METHODOLOGY:

Contract costs are budgeted to provide on-going maintenance.

FUNDING:

After the foster care federal discount rate of 72 percent for FY 2009-10 and 71 percent for FY 2010-11 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate has decreased.

Live Scan Technology

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$1,200	$1,200
Federal	432	426
State	768	774
County	0	0
Reimbursements	0	0

Health Services for Children in Foster Care

DESCRIPTION:

This premise reflects the cost to fund positions for public health care nurses (PHNs) in the county welfare departments. These nurses provide enhanced health services to children entering foster care. As authorized by Assembly Bill 1111 (Chapter 147, Statutes of 1999), this program improves the physical, mental, dental, and developmental well being of children in the child welfare system. The PHNs funded through this program work closely with the child's caseworker or probation officer to coordinate health care services and serve as a liaison with health care professionals and other providers of health related services.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.3.
- For Fiscal Year (FY) 2009-10, the number of new cases added to foster care is 35,984 based on actual data from the previous 12 months.
- The foster care caseload per PHN is based on a 1:200 ratio.
- The cost for a PHN for FY 2009-10 is being held to the FY 2004-05 level of $104,039.
- The program receives 75 percent federal funds and 25 percent General Fund (GF). The GF is reflected in the California Department of Social Services' (CDSS) budget and, through an interagency agreement, provided to the Department of Health Care Services (DHCS).
- For FY 2010-11 the entire foster care caseload will be served under Health Oversight and Coordination (P.L. 110-351) premise.

METHODOLOGY:

FY 2009-10

The projected new foster care caseload is divided by the number of annual cases per PHN, then multiplied by the unit cost of a PHN to determine the total cost of the program (35,984 ÷ 200 x $104,039). The total funds are multiplied by 25 percent to calculate the amount reflected in the CDSS budget and the remaining 75 percent of the funds are reflected in the DHCS budget.

FUNDING:

This program is eligible for enhanced federal Title XIX funding of 75 percent with a match of 25 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

Health Services for Children in Foster Care

REASON FOR YEAR-TO-YEAR CHANGE:

In the Budget Year the entire foster care population will be served under Health Oversight and Coordination premise.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$4,680	0
Federal	0	0
State	4,680	0
County	0	0
Reimbursements	0	0

Health Oversight and Coordination (P.L. 110-351)

DESCRIPTION:

This premise ensures California's compliance with the Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351), which requires states to specify in their Title IV-B plans how they determine and meet the health, mental health, developmental and dental care needs of children in foster care. This premise increases funding and the number of nurses for the Health Care Program for Children in Foster Care (HCPCFC) to a level at which medical case management services can be provided by counties for all children in foster care.

Public health nurses supported by the HCPCFC provide case management services for children in foster care with the goal of supporting their physical, mental, dental and developmental well-being. Placed in county child welfare and juvenile probation offices, HCPCFC public health nurses participate in medical care planning and coordination, collect and review health information, determine the need for referrals and follow-up care, arrange for health, mental health and dental assessments, expedite referrals for specialty care, advocate for the health needs of the child, and ensure provider linkages. In close parallel to these functions, P.L. 110-351 states that California's Title IV-B plan must address how children's health needs will be monitored and treated, how medical information on each child will be updated and appropriately shared, coordinated strategies to identify and respond to the health, mental health and dental needs of children, and steps to ensure continuity of health care services.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351).
- The projected foster care caseload for Fiscal Year (FY) 2009-10 and FY 2010-11 is 65,383. The number of new cases added to foster care for FY 2009-10 is 35,984. These caseloads are based on actual data from the previous 12 months.
- For FY 2009-10 this premise includes funding for the existing foster care caseload. The new entrants to foster care are funded through the Health Services for Children in Foster Care premise.
- The foster care caseload per PHN is based on a 1:200 ratio.
- The updated cost for a PHN for FY 2009-10 is $130,620.
- This program receives 75 percent federal funding with 25 percent General Fund (GF). The GF is reflected in the California Department of Social Services' (CDSS) budget and, through an interagency agreement, provided to the Department of Health Care Services (DHCS).
- For FY 2010-11 the entire foster care population will be served under this premise.

Health Oversight and Coordination (P.L. 110-351)

METHODOLOGY:

FY 2009-10

The projected foster care caseload is divided by the number of annual cases per PHN, then multiplied by the updated unit cost of a PHN to determine the total cost of the program (65,383 ÷ 200 x $130,620). The projected new foster care caseload is divided by the number of annual cases per PHN, then multiplied by the FY 2004-05 level unit cost of a PHN to determine the cost of the existing program (35,984 ÷ 200 x $104,039). The cost of serving the entire population less the current population being served represents the incremental cost of this premise. The total funds are multiplied by 25 percent to calculate the amount reflected in the CDSS budget and the remaining 75 percent of the funds are reflected in the DHCS budget. For FY 2009-10, six months of costs are budgeted. The costs associated with serving the new foster care entrants are accounted for in the Health Services for Children in Foster Care premise. The Appropriation included a $1 million reduction to General Fund (GF).

FY 2010-11

The projected foster care caseload is divided by the number of annual cases per PHN, then multiplied by the updated unit cost of a PHN to determine the total cost of the program (65,383 ÷ 200 x $130,620). The total funds are multiplied by 25 percent to calculate the amount reflected in the CDSS budget and the remaining 75 percent of the funds are reflected in the DHCS budget. The total includes a $1 million reduction to GF consistent with the FY 2009-10 Appropriation.

FUNDING:

This program is eligible for enhanced federal Title XIX funding of 75 percent with a match of 25 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects a full year of costs and serving the entire foster care population under this premise.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$1,998	$9,675
Federal	0	0
State	1,998	9,675
County	0	0
Reimbursements	0	0

County Self-Assessment and System Improvement Planning (SIP) Development

DESCRIPTION:

This premise reflects the cost to provide funding to counties to support the additional administrative responsibility related to the planning and coordination of the periodic county Child Welfare Services (CWS) performance self-assessments and annual SIPs as required by Assembly Bill (AB) 636 (Chapter 678, Statutes of 2002). Self-assessments and SIPs are critical and mandated components of the new CWS outcomes and accountability systems that require full and continuous participation by the public, service recipients, providers, courts, and agencies participating in CWS and are necessary to ensure a comprehensive, efficient, and non-duplicative approach to CWS assessment, design and operations.

Additional staff resources are necessary for the new function of identifying, selecting, updating membership, providing information, and coordinating the activities of the wide range of participants that include: advocates, the general public, law enforcement, courts, health and mental health agencies, local education, foster parents, foster youth, service recipient parents, and tribal organizations.

IMPLEMENTATION DATE:

This premise was implemented January 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2007.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- Seventy-eight staff at the social worker level are budgeted to perform these duties for each Fiscal Year (FY).
- The statewide average cost of a social worker is $129,074 for each FY.

METHODOLOGY:

The estimate is calculated by multiplying the number of social workers by the statewide average cost of a social worker.

FUNDING:

After the foster care federal discount rate of 71 percent for FY 2009-10 and FY 2010-11 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

County Self-Assessment and System Improvement Planning (SIP) Development

CHANGE FROMTHE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a technical adjustment.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$10,098	$10,079
Federal	3,585	3,578
State	4,559	4,551
County	1,954	1,950
Reimbursements	0	0

Federal Child & Family Services Review

DESCRIPTION:

This premise reflects funding for activities related to the preparation and completion of the federal Child and Family Services Review. The funds will be used to hire a contractor to complete research and prepare the Statewide Self Assessment. In addition, funding is needed to support preparation and completion of the onsite review in three counties and development of a Program Improvement Plan (PIP).

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Contractor costs for the Statewide Self Assessment are $200,000.
- Costs for the three county reviews are estimated at $50,000 each.
- Contractor costs for assistance with PIP implementation are $300,000.

METHODOLOGY:

Only contractor costs for assistance with PIP implementation are incurred in Fiscal Year (FY) 2009-10 and FY 2010-11.

FUNDING:

After the foster care federal discount rate of 72 percent for FY 2009-10 and 71 percent for FY 2010-11 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate has decreased.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$300	$300
Federal	108	107
State	192	193
County	0	0
Reimbursements	0	0

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Program Improvement Plan Penalty

DESCRIPTION:

This premise reflects the cost of the federal penalty, plus interest, imposed on the State for failure to meet one of the outcome measures identified in the Child and Family Services Review Program Improvement Plan. California has appealed this penalty and is awaiting a decision. In the meantime, however, payment will be issued to stop the accrual of interest.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 2008-09.

KEY DATA/ASSUMPTIONS:

- California was assessed an initial federal penalty of $8,973,041 in FY 2008-09, for alleged failure to meet outcome measures from Federal Fiscal Year (FFY) 2002 through the first three quarters of FFY 2007.
- Interest payments in the amount of $1,947,450 were assessed on the $8.9 million penalty paid in FY 2008-09.
- California was assessed an additional penalty of $1.7 million for FFY 2008 and the final quarter of FFY 2007.
- On December 4, 2009, California was informed that the Administration of Children and Families (ACF) had reversed its decision regarding the previously assessed PIP Penalty and Interest. The General Fund (GF) savings associated with this decision is not yet reflected in the Governor's Budget and will be captured in the May 2010 revision, pending formal notification from ACF.

METHODOLOGY:

For FY 2009-10, the estimate equals the sum of the federal penalty plus eight months of interest plus the $1.9 million interest.

For FY 2010-11, the estimate equals the anticipated ongoing penalty.

FUNDING:

This premise is funded 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There was not an appropriation for this premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to the expected ongoing penalty and interest.

Program Improvement Plan Penalty

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$3,813	$1,557
Federal	0	0
State	3,813	1,557
County	0	0
Reimbursements	0	0

Data Requirements for New Activities

DESCRIPTION:

This premise reflects the cost related to the additional data requirements associated with the many new mandated activities counties must accomplish to implement the Program Improvement Plan (PIP) and the California Child & Family Services Review process authorized by Assembly Bill 636 (Chapter 678, Statutes of 2002). Counties must review and update data already contained in the Child Welfare Services/Case Management System to ensure the new required data elements are entered into the case files. Counties must also spend additional time entering these additional data requirements in all new cases as they are created. This effort is needed to be able to measure program improvement progress as required by the PIP to avoid federal penalties.

IMPLEMENTATION DATE:

This premise implemented January 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2008.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The Fiscal Year (FY) 2009-10 and FY 2010-11 estimates are for new cases only.
- The new caseload is 30,157 for FY 2009-10 based on actual data for previous full year and 28,427 for FY 2010-11 based on actual data for latest full year through March 2009.
- It is assumed to take an average of 15 minutes per case to enter data for all new cases.
- The hourly cost of a social worker is $72.60 for each FY.

METHODOLOGY:

The estimate is calculated by multiplying the caseload by the number of hours per case and then by the hourly cost of a social worker.

FUNDING:

After the foster care federal discount rate of 71 percent for FY 2009-10 and FY 2010-11 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

Data Requirements for New Activities

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects a decreased caseload.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$547	$516
Federal	194	183
State	247	233
County	106	100
Reimbursements	0	0

Peer Quality Case Reviews

DESCRIPTION:

This premise reflects the cost associated with backfilling staff time, travel and per diem costs for social workers and probation officers participating in Peer Quality Case Reviews (PQCR) as required by Assembly Bill 636 (Chapter 678, Statutes of 2001). The purpose of the PQCR is to learn, through intensive examination of county child welfare practice, how to improve child welfare services and practices in California, both in the participating county and in other jurisdictions as well. Without relying on the PQCR as a vehicle for validating the quantitative data contained within each county's County Data Report and Self Assessment, the PQCR should provide another layer of information. Specifically, the PQCR is another mechanism for understanding the key to the child welfare system and social worker practice. While the quantitative data provides integral, population-based information, the PQCR provides a rich and deep understanding of actual practice in the field. In addition, the PQCR goes beyond the County Self-Assessment by incorporating outside expertise, including county peers, to help identify the strengths and weaknesses of county child welfare services delivery systems, and social worker and probation officer practices.

IMPLEMENTATION DATE:

This premise was implemented July 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10601.2.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- There will be 22 counties completing County Welfare Department (CWD) and County Probation Department (CPD) reviews in Fiscal Year (FY) 2009-10 and 14 counties completing CWD and CPD reviews in FY 2010-11.
- Each CWD review will take approximately five days to complete and will involve an average of 16 staff; eight staff from the county being reviewed and eight staff from other counties. Each CPD review will take approximately three days to complete and will involve an average of 16 staff; eight staff from the county being reviewed and eight staff from other counties.
- Based on information from the County Welfare Directors Association, it will require a total of 712 hours of social worker time for each CWD review, which also includes time for preparation, coordination and training for the reviews and completion and review of reports. Each CPD review will take approximately three-fifths the time of a CWD review, or 427 hours of probation worker time.
- The hourly cost of a worker is $72.60.
- Eight social workers from other counties will participate in each county review and will require travel and per diem costs of $124.00 per day.
- $20,000 of state support is included in the premise.

Peer Quality Case Reviews

METHODOLOGY:

The total number of worker hours per review is multiplied by the number of reviews and then by the worker cost per hour. Costs are then added for travel and per diem for eight visiting workers for each of the reviews at $124.00 per day.

FUNDING:

After the foster care federal discount rate of 71 percent for FY 2009-10 and FY 2010-11 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The number of county reviews has decreased.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$2,035	$1,310
Federal	730	465
State	921	599
County	384	246
Reimbursements	0	0

Child Fatality and Near Fatality Peer Quality Case Reviews (PQCRs)

DESCRIPTION:

This premise reflects the costs associated with compiling and publishing reports on all child deaths and near deaths that are caused by suspected child abuse or neglect as required by the federal Child Abuse Prevention and Treatment Act (CAPTA). A team will be established to review cases on a monthly basis and compile data for a final report. In addition, the on-site review of high profile cases will be contracted out.

IMPLEMENTATION DATE:

This premise was implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: CAPTA
- Eight county staff will meet monthly in Sacramento for two days.
- The average hourly cost for a social worker is $72.60.
- Airfare is estimated at $100 and per diem costs are estimated at $124 per day.
- On-site contracting costs are $100,000.

METHODOLOGY:

The number of staff is multiplied by the annual number of hours and then multiplied by the average cost per hour. Costs are added for travel and per diem and for on-site contracting.

FUNDING:

After the foster care federal discount rate of 72 percent for Fiscal Year (FY) 2009-10 and 71 percent for FY 2010-11 is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

Child Fatality and Near Fatality Peer Quality Case Reviews (PQCRs)

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate decreased.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$245	$245
Federal	88	87
State	110	111
County	47	47
Reimbursements	0	0

Statewide Standardized Training

DESCRIPTION:

This premise reflects the additional costs associated with the need for counties to fill behind county social workers and supervisors who must attend additional days of training, as required under the statewide standardized common core curriculum for all current and new child welfare workers and their supervisors, and probation workers. The additional training days resulted from California's negotiation of the federal Children and Family Services Review (CFSR) Program Improvement Plan (PIP) which was aimed at improving outcomes for children in foster care. The PIP required that the California Department of Social Services (CDSS) develop regulations to mandate the standardized training curricula that will result in four additional days of training. The standardized curricula and additional days of training were also added to the Training Plan section of the Title IV-B State Plan. The standardized curricula was developed in collaboration with the Statewide Training and Education Committee, which includes representation from all of the Regional Training Academies (RTA) and the Inter-University Consortium (IUC), the California Social Work Education Center (CalSWEC), county staff, the tribal community, and other important stakeholders.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 2006-07.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16200 through 16215.
- The additional days of training were required as part of the PIP and Title IV-B Training Plan.
- Funding is based on the number of county Full Time Equivalent (FTEs) who will be attending the additional days of training. For FY 2009-10 and FY 2010-11, there are 826 new social workers, 118 new social work supervisors, 7,185 existing social workers, 1,026 existing social work supervisors, and 175 existing probation workers.
- New social workers will attend four additional days of initial training and new social work supervisors will attend one additional day of initial training.
- Existing social workers and supervisors will attend 20 hours of continued training annually.
- Existing probation workers will attend three additional days of continued training.

METHODOLOGY:

The estimate is based on the total number of FTEs in each county who will be attending the additional days of training multiplied by the number of hours of training. The total hours are then multiplied by the hourly cost of a social worker.

Statewide Standardized Training

FUNDING:

After the foster care federal discount rate of 72 percent for FY 2009-10 and 71 percent for FY 2010-11 is applied, federally-eligible costs are shared at 75 percent federal, 25 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate has decreased.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$14,215	$14,215
Federal	7,676	7,569
State	4,577	4,652
County	1,962	1,994
Reimbursements	0	0

CWS Program Improvement Fund

DESCRIPTION:

This premise reflects donated grants, gifts, or bequests made to the state from private sources to be deposited into the Child Welfare Services (CWS) Program Improvement Fund as established by Assembly Bill 2496 (Chapter 168, Statutes of 2004). These funds are intended to enhance the state's ability to provide a comprehensive system of supports that promote positive outcomes for children and families.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2005.

KEY DATA/ASSUMPTIONS:

- Donated funds will be eligible for federal Title IV-E enhanced training matching funds.
- The foster care federal discount rate is 72 percent for Fiscal Year (FY) 2009-10 and 71 percent for FY 2010-11.

METHODOLOGY:

The expected donations total $4 million in FY 2009-10 and FY 2010-11.

FUNDING:

After applying the foster care federal discount rate, federally-eligible costs are shared 75 percent enhanced federal Title IV-E training funds and 25 percent nonfederal. Nonfederal costs are 100 percent General Fund, payable from the CWS Program Improvement Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate has decreased.

EXPENDITURES:

(in 000's)	2009-10	2010-11
	County Admin.	County Admin.
Total	$8,696	$8,556
Federal	4,696	4,556
State	4,000	4,000
County	0	0
Reimbursements	0	0

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CWS Differential Response (DR), Safety Assessment (SA) and Permanency & Youth Services (PYS)

DESCRIPTION:

This premise reflects funding for activities related to Differential Response (DR), Safety Assessment (SA), and Permanency and Youth Services (PYS) that were previously identified as separate premises. Beginning at the Child Welfare Services (CWS) Hotline, the new DR intake system provides a more customized response to families through case planning and development, and provides enhanced services to support the specific needs of children and families. The Standardized Safety Assessment System establishes the standards, tools, and practice applications to improve California's safety outcomes. PYS is aimed at increasing permanence and stability for children in the CWS system as well as supporting foster youth as they transition to adulthood.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2005.

KEY DATA/ASSUMPTIONS:

- This premise provides funding for continued implementation in ten counties (Contra Costa, Glenn, Humboldt, Placer, Sacramento, San Luis Obispo, San Mateo, Stanislaus, Tehama, and Trinity) that received funding in Fiscal Year (FY) 2004-05 through other existing fund sources.
- Additional funding is provided for state level contracts for training and technical assistance in support of the DR, SA, and PYS activities.
- The foster care federal discount rate is 72 percent for FY 2009-10 and 71 percent for FY 2010-11.
- It is assumed that a portion of activities for DR are ineligible for federal Title IV-E funding and are funded with 100 percent General Fund (GF).

METHODOLOGY:

The GF amount for the ten counties is $6,336,000. An additional $347,000 GF is provided for state contracts.

FUNDING:

After applying the foster care federal discount rate, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal for the non-enhanced expenditures and 75 percent enhanced federal Title IV-E training funds and 25 percent nonfederal. Nonfederal costs are 100 percent GF.

CWS Differential Response (DR), Safety Assessment (SA) and Permanency & Youth Services (PYS)

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to the decrease in the federal discount rate.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$10,798	$10,711
Federal	3,998	3,911
State	6,800	6,800
County	0	0
Reimbursements	0	0

CWS Outcome Improvement Project

DESCRIPTION:

This premise reflects funding for county child welfare and probation agencies to enhance/modify their existing service delivery systems to improve outcomes for children and families consistent with the strategies contained in the county System Improvement Plans (SIPs) approved by each county's Board of Supervisors. These plans are required under the California Child and Family Services Review, pursuant to Assembly Bill (AB) 636 (Chapter 678, Statutes of 2001). Improvements in the area of safety are a priority. In addition, the eleven Child Welfare Services (CWS) Program Improvement pilot counties can access these funds to support ongoing development of their Standardized Safety Assessment System, Differential Response, and Youth Permanency programs. The California Department of Social Services anticipates that there will be both one-time and ongoing costs for improvements that could include specialized training, equipment, consultant services, enhanced staffing, and expanded service capacity. In addition, AB 1808 (Chapter 75, Statutes of 2006) provided a $98.6 million augmentation for all counties to be spent flexibly on local priorities identified in the county SIPs.

IMPLEMENTATION DATE:

This premise was implemented July 1, 2005.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: AB 1808 (Chapter 75, Statutes of 2006).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The General Fund (GF) for county welfare department Child Welfare Services Outcome Improvement Project (CWSOIP) activities is $10,617,703.
- The GF for county probation department CWSOIP activities is $1,203,000.
- AB 1808 provides an augmentation of $39,367,000 GF.
- The foster care federal discount rate is 71 percent for Fiscal Year (FY) 2009-10 and FY 2010-11.
- For county welfare department CWSOIP activities, 55 percent of the activities are ineligible for federal Title IV-E funding.
- For county probation department CWSOIP activities, 100 percent of the activities are eligible for federal Title IV-E funding.

METHODOLOGY:

The CWSOIP funding is added with the CWSOIP Augmentation funding.

CWS Outcome Improvement Project

FUNDING:

For the CWSOIP, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal, after applying the foster care federal discount rate. Nonfederal costs are 100 percent GF. The CWSOIP Augmentation funding was determined by AB 1808.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

CWSOIP:	2009-10	2010-11
	County Admin.	County Admin.
Total	$14,460	$14,460
Federal	2,639	2,639
State	11,821	11,821
County	0	0
Reimbursements	0	0

CWSOIP Augmentation:	2009-10	2010-11
	County Admin.	County Admin.
Total	$61,034	$61,034
Federal	21,667	21,667
State	39,367	39,367
County	0	0
Reimbursements	0	0

COMBINED TOTAL:	2009-10	2010-11
	County Admin.	County Admin.
Total	$75,494	$75,494
Federal	24,306	24,306
State	51,188	51,188
County	0	0
Reimbursements	0	0

Safe and Timely Interstate Placement of Foster Children Act of 2006

DESCRIPTION:

This premise reflects the costs associated with Child Welfare Services (CWS) and Adoptions social workers meeting the new 60-day home study time frame requirement of the Safe and Timely Interstate Placement of the Foster Care Act of 2006 (H.R. 5403). Within the 60 days, county social workers must complete a study of a home environment in order to assess the safety and suitability of placing a child in a foster or adoptive home and to develop a report of their findings. The bill also grants authority for incentive payments of $1,500 for each home study completed within 30 days.

This premise also reflects the cost to support data collection and tracking on an annual basis for out-of-state home study requests to satisfy federal reporting requirements.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: H.R. 5403, pursuant to Senate Bill (SB) 703 (Chapter 583, Statutes of 2007), the Family Code Section 7906.5 was amended to ensure that state law included the new federal requirements.
- The CWS caseload for the non-Title IV-E Waiver counties from out-of-state is estimated at 434 for Fiscal Year (FY) 2009-10 and 856 for FY 2010-11.
- The Adoptions caseload from out-of state homes studies performed by counties is estimated at 235 for FY 2009-10 and 142 for FY 2010-11.
- Each CWS home study will take an average of 15.5 hours and each Adoptions home study will take an average of 24 hours. Beginning in FY 2010-11 data collection and tracking will take an average of 0.5 hours per case.
- The average hourly cost of a social worker is $72.60.
- California will not qualify for the incentive payments for completing home studies within 30 days.
- In early 2009, the California Department of Social Services received instructions from the federal Department of Health and Human Services that the Title IV-B Child and Family Services Plan for Federal Fiscal Year 2010-2014 is to include data regarding California's compliance with the out-of-state home study time line requirements imposed by the federal law.

METHODOLOGY:

The caseload is multiplied by the hours and then multiplied by the hourly social worker cost.

Safe and Timely Interstate Placement of Foster Children Act of 2006

FUNDING:

For CWS, after the foster care federal discount rate is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county. For Adoptions, costs are shared 42.11 percent federal and 57.89 percent nonfederal for FY 2009-10 and 42.09 percent federal and 57.91 nonfederal for FY 2010-11.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to updated caseload and the addition of the cost associated with the data tracking component to the premise.

EXPENDITURES:

(in 000's)

CWS	2009-10 County Admin.	2010-11 County Admin.
Total	$489	$994
Federal	174	353
State	220	449
County	95	192
Reimbursements	0	0

Adoptions	2009-10 County Admin.	2010-11 County Admin.
Total	$410	$252
Federal	173	106
State	237	146
County	0	0
Reimbursements	0	0

Adam Walsh Child Protection and Safety Act of 2006

DESCRIPTION:

This premise reflects the costs associated with Public Law (PL) 109-248, known as the Adam Walsh Child Protection and Safety Act of 2006 which requires that states check child abuse and neglect registries in each state in which prospective foster or adoptive parents, relative caregivers or nonrelative extended family members (NREFM) (as well as other adults in the home) have resided in the preceding five years prior to approval for placement of a child. This premise also reflects the costs associated with responding to other states' requests for underlying information about child abuse and neglect reports in California. Senate Bill (SB) 703 (Chapter 583, Statutes of 2007) brings California into conformity with this Act.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: PL 109-248 and SB 703.
- Ten percent of those seeking home approval have resided in another state within the past five years and will require a child abuse and neglect registry check.
- Ten percent of those who have resided in another state within the past five years will have a history of child abuse and neglect.
- Both social workers, adoption workers, and licensing workers will spend one hour per registry check. When information from other states indicates a history of child abuse and neglect, an additional seven hours will be required to investigate and review the facts of the case.

Child Welfare Services (CWS)

- The annual relative and NREFM caseload for Fiscal Year (FY) 2009-10 is 21,825, based on new placement data for Calendar Year 2008. The annual relative and NREFM caseload for FY 2010-11 is 21,190, based on new placement data for the one year period from April 2008 to March 2009.
- Based on information from the California Welfare Directors Association, it is assumed that an average of 1.56 children are placed per home.
- It is assumed that an average of two persons in the home will require a child abuse and neglect registry check in another state.
- The fee charged by other states to check their registries is $15 per check.
- The number of out of state checks performed is 2,717.
- The number of outgoing registry checks that indicate a history of child abuse and neglect is assumed to be the same as the number of incoming requests for underlying case information.
- Social workers will spend four hours responding to incoming requests for underlying case information.
- The hourly cost of a social worker is $72.60.

Adam Walsh Child Protection and Safety Act of 2006

KEY DATA/ASSUMPTIONS (CONTINUED):

Adoptions

- The number of approved families for FY 2009-10 is 7,598 based on new placement data for Calendar Year 2008 and for FY 2010-11 it is 7,298.
- It is assumed that an average of two children are adopted per home.
- It is assumed that an average of two persons in the home will require a child abuse and neglect registry check in another state.
- The fee charged by other states to check their registries is $15 per check.
- The number that lived out of state is 730.
- The number of outgoing registry checks that indicate a history of child abuse and neglect is assumed to be the same as the number of incoming requests for underlying case information.
- Social workers will spend four hours responding to incoming requests for underlying case information.
- The hourly cost of an adoption worker is $72.31.

Community Care Licensing (CCL)

- The Foster Family Home (FFH) caseload for FY 2009-10 is 1,679, based on new licensing activity for FY 2007-08. The FFH caseload for FY2010-11 is 1,597 based on new licensing activity for FY 2008-09.
- It is assumed that an average of 2.5 persons in the home will require a child abuse and neglect registry check in another state.
- The number of registry checks performed is 3,993.
- The hourly cost of a licensing worker is $70.68.

METHODOLOGY:

CWS

The caseload is multiplied by the percentage of those living in another state, multiplied by the number of hours required to complete a registry check, multiplied by the hourly cost of a social worker. The number of out of state registry checks is multiplied by the percentage of those with a history of child abuse and neglect, multiplied by the additional hours of investigative activity, multiplied by the hourly cost of a social worker. The number of incoming requests for underlying case information is multiplied by the cost per check. The number of incoming requests for underlying case information is multiplied by the number of hours to respond to the request, multiplied by the hourly cost of a social worker.

Adam Walsh Child Protection and Safety Act of 2006

METHODOLOGY (CONTINUED):

Adoptions

The caseload is multiplied by the percentage of those living in another state, multiplied by the number of hours required to complete a registry check, multiplied by the hourly cost of an adoption worker. The number of registry checks is multiplied by the percentage of those with a history of child abuse and neglect, multiplied by the additional hours of investigative activity, multiplied by the hourly cost of an adoption worker. The number of incoming requests for underlying case information is multiplied by the cost per check. The number of incoming requests for underlying case information is multiplied by the number of hours to respond to the request, multiplied by the hourly cost of a social worker.

CCL

The number of registry checks is multiplied by the percentage of those living in another state, multiplied by the number of hours required to complete a registry check, multiplied by the hourly cost of a licensing worker. The number of registry checks is multiplied by the percentage of those with a history of child abuse and neglect, multiplied by the additional hours of investigative activity, multiplied by the hourly cost of a licensing worker.

FUNDING:

For CWS, after the foster care federal discount rate is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund (GF) and 30 percent county.

For Adoptions, the sharing ratio for FY 2009-10 is 42.11 percent federal and 57.89 percent nonfederal based on actual expenditure data from FY 2007-08. The sharing ratio for FY 2010-11 is 42.09 percent federal and 57.91 percent nonfederal based on FY 2008-09 actual expenditures for the Adoptions Basic Program.

For CCL, based on actual expenditure data from Calendar Year 2008, the sharing ratio is 37.08 percent federal Title IV-E and 62.92 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects decreased caseload for CWS, CCL and Adoptions.

Adam Walsh Child Protection and Safety Act of 2006

EXPENDITURES:

(in 000's)

CWS	2009-10	2010-11
	County Admin.	County Admin.
Total	$444	432
Federal	158	153
State	202	196
County	84	83
Reimbursements	0	0

Adoptions	2009-10	2010-11
	County Admin.	County Admin.
Total	$116	$112
Federal	49	47
State	67	65
County	0	0
Reimbursements	0	0

CCL	2009-10	2010-11
	County Admin.	County Admin.
Total	$51	$48
Federal	20	18
State	31	30
County	0	0
Reimbursements	0	0

Child Relationships
(AB 408 Amended by AB 1412)

DESCRIPTION:

This premise reflects the costs for social workers to perform additional activities on every initial and six month case plan and court report on children 10 years of age and older who are placed in group homes for more than six months to establish a special relationship with an important person in the child's life as stipulated by Assembly Bill (AB) 408 (Chapter 813, Statutes of 2003). Social workers will conduct investigations to identify these individuals, evaluate and assess relationships between foster children and other important people in their lives, excluding siblings, and take necessary actions to maintain these relationships. These identified persons will be included in the child's Transitional Independent Living Plan (TILP).

Effective January 1, 2006, the provisions of AB 408 were amended as stipulated by AB 1412 (Chapter 640, Statutes of 2005) to include all children who are developmentally appropriate and who are in out-of-home placements. In addition, the social workers will insure that developmentally appropriate children are involved in the development of their case plan, help plan for permanent placement (PP), and that children 12 years of age or older review their case plan, sign it, and receive a copy.

The implementation and operation of the amendments are to be budgeted by phases.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2004 and was amended on January 1, 2006.

KEY DATA/ASSUMPTIONS:

Authorizing statute: AB 408 (Chapter 813, Statutes of 2003) and AB 1412 (Chapter 640, Statutes of 2005).

AB 408

- There are approximately 730 new out-of-home placements 10 years of age and older in group homes six months or more with a Family Reunification service component.
- There are approximately 3,511 out of home placement cases for the 6 month case plan/court report
- There are approximately 5,803 foster children 16 and older in group homes to complete a TILP.
- One out of every four relationships initially assessed will not be deemed in the child's best interest. In such cases, another relationship will be assessed, which will require four additional hours of social worker time.
- The social worker cost per hour is $72.60.
- Background checks will be performed on each initial and additional assessment case at a cost of $87.00 per case.

AB 1412

- Implementation of AB 1412 was delayed until July 1, 2006.
- There are approximately 35,459 children 10 years of age and older.

Child Relationships
(AB 408 Amended by AB 1412)

KEY DATA/ASSUMPTIONS (CONTINUED):

- There are approximately 1,252 new children 10 years of age and older and who have been in out-of-home placement for six months or longer.
- There are approximately 10,221 children 8 to 11 years old who are developmentally appropriate to participate in their case plan development.
- There are approximately 21,467 children 12 years and older who will review and sign their case plan.
- There are approximately 6,546 foster children 16 and older in out-of-home placement to complete a TILP.
- One out of every four relationships initially assessed will not be deemed in the child's best interest. In such cases, another relationship will be assessed, which will require four additional hours of social worker time.
- For Phase I (Fiscal Year (FY) 2006-07), a social worker will spend at least four hours per case for the initial assessment of new cases for children 10 years and older placed with a non-relative for six months or longer and one-half hour for one-half of the new cases for a six month case plan/court report.
- For Phase II (FY 2007-08), a social worker will spend at least 15 minutes for Phase I children for the six months court report and at least four hours per case for the children 10 years and older placed in PP relative care for six months or longer and one-half hour for the PP cases for the six month case plan/court report.
- For Phase III (FY 2008-09), a social worker will spend at least 15 minutes for Phase I and Phase II children for the six months court report, at least four hours per case for the children 10 years and older placed in out-of-home placement for more than six months and one-half hour for the out-of-home placement cases for the six month case plan/court report.
- For FY 2009-10 and FY 2010-11, ongoing costs for a social worker to spend at least four hours per case for the children 10 years and older placed in out-of-home placement for more than six months. Then one-half hour for the out-of-home placement cases for the six month case plan/court report and 15 minutes for ongoing cases.
- The social worker cost per hour is $72.60.
- Background checks will be performed on each initial and additional assessment case at a cost of $87.00 per case.

METHODOLOGY:

For FY 2009-10 the non-Title IV-E Waiver counties are held at the Budget Act of 2009 Appropriation level. The Title IV-E Waiver counties base is reflected in Item 153 Title IV-E Waiver.

The estimate is calculated by multiplying the amount of time by the frequency of activity per year by social worker rate and by the number of cases. In addition, the background check cost is added to the total.

Child Relationships
(AB 408 Amended by AB 1412)

FUNDING:

For FY 2009-10 and FY 2010-11 the federal discount rate is 71 percent. After the foster care federal discount rate is applied, costs are shared 50 percent federal and 50 percent nonfederal, the nonfederal portion is funded 70 percent with General Fund and 30 percent county funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to updated caseloads.

EXPENDITURES:

(in 000's)

Total	2009-10 County Admin.	2010-11 County Admin.
Total	$6,112	$5,856
Federal	2,170	2,079
State	2,760	2,644
County	1,182	1,133
Reimbursements	0	0

AB 408	2009-10 County Admin.	2010-11 County Admin.
Total	$1,738	$1,696
Federal	617	602
State	785	766
County	336	328
Reimbursements	0	0

Child Relationships
(AB 408 Amended by AB 1412)

EXPENDITURES (CONTINUED):

(in 000's)

AB 1412	2009-10	2010-11
	County Admin.	County Admin.
Total	$4,374	$4,160
Federal	1,553	1,477
State	1,975	1,878
County	846	805
Reimbursements	0	0

Personalized Transition Plan (P.L. 110-351)

DESCRIPTION:

This premise represents costs associated with the federal Fostering Connections to Success and Increasing Adoptions Act [Public Law (P.L.). 110-351, HR 6893] that was signed into law on October 7, 2008. Section 202 of this federal bill mandates states to provide the foster child one final Transitional Independent Living Plan (TILP) 90 days before emancipating from foster care.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351) and Welfare and Institutions Code section 16501.1 ensures state law is consistent with federal law.
- It is assumed that there are approximately 7,761 youth age 16 and older for Fiscal Year (FY) 2009-10 and 7,778 for FY 2010-11.
- It takes a social worker one hour to complete the TILP with the foster child.
- The hourly social worker cost is $72.60.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

The cost is derived by multiplying the one hour it will take the social worker to complete the TILP, by the caseload by the social worker hourly cost.

FUNDING:

After the foster care federal discount rate is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal, the nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to updated caseload information and the Budget Year reflects a full year of costs.

Personalized Transition Plan (P.L. 110-351)

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	$282	$564
Federal	100	200
State	127	255
County	55	109
Reimbursements	0	0

Resource Family Approval Pilot (AB 340)

DESCRIPTION:

Assembly Bill 340 (Chapter 464, Statutes of 2007) requires the California Department of Social Services (CDSS), in consultation with stakeholders and interested parties, to implement a three-year pilot program in up to five counties, to establish a single comprehensive resource family pilot approval process for foster care and adoption. This single process would replace the existing separate processes for licensing foster family homes, approving relatives and non-related extended family members (NREFM), and approving adoptive families.

IMPLEMENTATION DATE:

Implementation of this premise has been suspended due to budget constraints.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16519 and 16519.5.
- For this estimate, all three approval functions (adoption, relative, licensing) are performed by the five selected counties. The caseloads for this premise will be identified once the counties for the pilot have been selected.
- The number of hours to perform approvals is increased up to the level of an adoption approval.
- Duplicative processes for approvals and background checks are eliminated, thus creating savings.
- Placements are more stable, eliminating secondary placements for Foster Family Home (FFH) cases, thus creating savings.
- State administrative hearing reviews for licensing cases will be replaced by less-costly county grievance reviews.
- Costs include additional one-time social worker training and county start-up costs of $361,000. On-going training for new staff as a result of turnover is estimated at $4,000 annually.
- FFH cases will require annual reassessments.

<u>Child Welfare Services (CWS)</u>

- The annual cost of a social worker is $129,074. The hourly cost of a social worker is $72.60.
- The number of hours to perform relative/NREFM home approvals is 15 hours.
- Sixty percent of cases placed in FFHs experience at least one placement change within the first 12 months of placement. Social workers typically spend 18 hours on activities associated with finding an alternate placement for these cases.
- Approximately 20 percent of FFH cases that are denied will appeal. These appeals will require eight hours of social worker review.

Resource Family Approval Pilot (AB 340)

KEY DATA/ASSUMPTIONS (CONTINUED):

Adoptions

- The hourly cost of an adoption worker is $72.60.
- The number of hours to perform an adoptive home approval is 24 hours.
- The cost to conduct background checks is $87 per check.
- There are two persons per home that require a background check.

Community Care Licensing (CCL)

- The hourly cost of a licensing worker is $70.68.
- The number of hours to perform a FFH home approval is 15.47 hours.

METHODOLOGY:

CWS

The approval costs for CWS cases are calculated by taking the difference between the number of hours required for a relative/NREFM approval and an adoptive home approval, multiplied by the hourly cost of a social worker (number of cases X 9 hours X $72.60). Costs to perform the FFH approvals are calculated by multiplying the FFH caseload by the number of hours for each approval, multiplied by the hourly cost of a social worker (number of cases X 24 hours X $72.60). Savings for the elimination of secondary placements are calculated by multiplying 60 percent of the FFH placements by the number of hours of social worker activity, multiplied by the hourly cost of a social worker (number of cases X 60 percent X 18 hours X $72.60). Grievance review costs for the FFH cases are calculated by taking 20 percent of the denied cases, multiplied by the number of hours per review, multiplied by the hourly cost of a social worker (number of cases X 20 percent X 8 hours X $72.60). Training and start-up costs are then added in the amount of $361,000.

Adoptions

Savings are calculated for the elimination of approval and background check processes [(number of cases X 24 hours X $72.60 per hour) + (number of cases X 2 per home X $87 per background check)].

CCL

Savings are calculated for the elimination of approval processes (number of cases X 15.47 hours X $70.68).

Resource Family Approval Pilot (AB 340)

Funding:

CWS

After the foster care federal discount rate is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent General Fund (GF). Nonfederal costs are shared 70 percent GF and 30 percent county.

Adoptions

Savings are shared based on actual sharing ratios for the five selected counties.

CCL

The federal/state sharing ratio will be determined by actual expenditure data.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
CWS		
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Resource Family Approval Pilot (AB 340)

EXPENDITURES (CONTINUED):

(in 000's)

	2009-10	2010-11
Adoptions		
Total	0	0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

	2009-10	2010-11
CCL		
Total	0	0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Foster Care Supplemental Security Income/State Supplementary Payment (SSI/SSP) Application

DESCRIPTION:

This premise reflects the costs associated with implementing Assembly Bill (AB) 1331 (Chapter 465, Statutes of 2007) that requires counties to screen all foster youth age 16 ½ and older to determine if they are eligible for federal SSI benefits utilizing the best practice guidelines developed pursuant to AB 1633 (Chapter 641, Statues of 2005). AB 1331 requires that an application be submitted for any child who is screened as being likely to be eligible for SSI benefits.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 1331 (Chapter 465, Statutes of 2007).
- Impact to the Foster Care and SSI/SSP programs are part of the caseload trends and are no longer estimated separately.

FY 2009-10

- The estimate has been held to the Budget Act of 2009 Appropriation.

FY 2010-11

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- There are 4,081 children in foster care aged 16 ½ through 17 ½ that will require an SSI/SSP screening each Fiscal Year (FY) based on caseload data from June 2009.
- Each screening will require 30 minutes of social worker time.
- Fifteen percent of those screened (612) will have an SSI/SSP application submitted which will require eight hours of social worker time. Fifty percent of applications submitted (306) will be initially denied and then appealed, requiring an additional six hours of social worker time.
- The average statewide social worker hourly cost is $72.60.

METHODOLOGY:

Costs are estimated by multiplying the caseload by the number of social worker hours, multiplied by the hourly cost.

Foster Care Supplemental Security Income/State Supplementary Payment (SSI/SSP) Application

FUNDING:

After the foster care federal discount rate of 71 percent for FY 2009-10 and FY 2010-11 is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to decreased caseload.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$656	$637
Federal	233	226
State	423	411
County	0	0
Reimbursements	0	0

AB 1512 Health Benefit Determination

DESCRIPTION:

Assembly Bill 1512 (Chapter 467, Statutes of 2007) requires the county child welfare agency or probation department responsible for the child's placement to determine, in consultation with the foster parent, whether a foster child who is currently enrolled in a county organized health system (COHS) and placed in an out-of-county placement should remain in the COHS. This bill requires that the determination be made one working day after the out-of-county placement begins. If the decision is to disenroll the child from the COHS, the placing county would also be required to request the disenrollment within two working days after the out-of-county placement begins. This bill requires that if the foster child is to be disenrolled from a COHS because of an out-of-county placement, the placing county would request the disenrollment.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 14093.09.
- There are currently eight counties that have adopted the COHS. They are: Monterey, Napa, Orange, San Mateo, Santa Barbara, Santa Cruz, Solano, and Yolo.
- There are seven counties interested in adopting the COHS model. They are: Lake, Marin, Mendocino, San Benito, San Luis Obispo, Sonoma, and Ventura.
- The hourly social worker cost is $72.60.

METHODOLOGY:

The cost is derived by multiplying the two hours it will take the social worker to make the determination by the social worker hourly cost, multiplied by the caseload.

FUNDING:

After the foster care federal discount rate of 72 percent for Fiscal Year (FY) 2009-10 and 71 percent for FY 2010-11 is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to decreased caseload and a decrease in the federal discount rate.

AB 1512 Health Benefit Determination

Expenditures:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$325	$297
Federal	117	105
State	208	192
County	0	0
Reimbursements	0	0

AB 2985 – Foster Youth Identity Theft

DESCRIPTION:

Assembly Bill 2985 (Chapter 387, Statutes of 2006) requires a County Welfare Department (CWD) to request a credit check from a credit reporting agency for every foster child upon his/her 16th birthday. When a credit report contains negative information or evidence of identity theft, the CWD must refer the child to an approved credit counseling organization from a list developed by the California Department of Social Services, in consultation with the County Welfare Directors Association and other stakeholders.

This premise reflects costs associated with requesting and evaluating a credit check and referring a child to an approved credit counseling organization.

IMPLEMENTATION DATE:

Implementation of this premise has been suspended due to budget constraints.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10618.6.
- The hourly cost for one social worker hour is $72.60. The standard time to process each credit check is one hour. To process each referral to a credit counseling organization is one additional hour.
- In the first year of implementation, foster children 16 and older would receive their credit report.
- In the second year foster children turning 16, and foster children 16 years of age or older who are new entries to foster care will receive a credit report.
- Ten percent will be referred to a credit counseling organization.
- Foster youth are entitled to receive one free credit report each year. This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

The estimated social worker cost is derived by multiplying the number of credit reports requested and evaluated, and the number of referrals, by the social worker hourly cost.

The Title IV-E Waiver counties base is reflected in Item 153 Title IV-E Waiver.

FUNDING:

After the foster care federal discount rate of 71 percent is applied, federally eligible costs are shared 50 percent federal title IV-E and 50 percent General Fund.

AB 2985 – Foster Youth Identity Theft

CHANGE FROM THE APPROPRIATION:

As a result of this premise being suspended, there is a savings from the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Increase Funding for Caseworker Visits

DESCRIPTION:

This premise reflects the costs associated with a recent federal law (Public Law 109-288, known as the Child and Family Services Improvement Act of 2006) which requires states to increase the percentage of foster children that are visited monthly to 90 percent by the year 2011 in order to continue receiving full Title IV-B funding. In addition, a majority of those visits must occur in the child's home. States are required to submit a plan for approval by the federal Department of Health and Human Services (DHHS) that indicates their goals for improvement each Federal Fiscal Year (FFY). If states do not meet their goals each and every year they will be penalized accordingly. In order to capture information about the Probation Officers (PO) visits, this premise funds PO access to the Child Welfare Services/Case Management System (CWS/CMS).

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Public Law 109-288.
- It is assumed that it will take a social worker 15 minutes to input the Foster Family Agency and Out-of-State placement monthly visit information in the CWS/CMS.
- It is assumed that it will take a social worker two hours monthly to visit the foster child and record the information into CWS/CMS.
- It is assumed that it will take a social worker four hours monthly to visit the out-of-county foster child and record the information in CWS/CMS.
- For Fiscal Year (FY) 2009-10 and FY 2010-11 there are approximately 26,800 visits where information will need to be put into CWS/CMS.
- For FY 2009-10 and FY 2010-11 there are approximately 69,000 visits that need to be conducted to bring California into compliance with visiting foster children monthly.
- For FY 2009-10 there are approximately 4,300 out-of-county visits and FY 2010-11 there are approximately 4,100 out-of-county visits that need to be conducted to bring California into compliance with visiting foster children monthly.
- The hourly cost of a social worker is $72.60.
- There are approximately 175 Probation Officers who need access to CWS/CMS.
- The monthly fee for the CWS/CMS tokens is $27.00.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

Increase Funding for Caseworker Visits

METHODOLOGY:

The caseload is multiplied by the number of hours, multiplied by the hourly cost of a social worker. For the PO the number of PO's is multiplied by the monthly fee for the token, multiplied by twelve to get the yearly costs.

FUNDING:

After the foster care federal discount rate of 71 percent for FY 2009-10 and FY 2010-11 is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund (GF) and 30 percent county. Some Promoting Safe and Stable Families (PSSF) funding is available for this new mandate (see the "PSSF premise for additional information). The PSSF caseworker visit grant is applied first.

CHANGE FROM THE APPROPRIATION:

The PSSF caseworker visit grant has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to the projected decrease in the number of missed visits in FY 2010-11 and an updated PSSF caseworker visit grant.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	$10,828	$9,768
Federal	3,844	3,468
State	4,889	4,410
County	2,095	1,890
Reimbursements	0	0

Chafee Federal National Youth in Transition Database

DESCRIPTION:

This premise reflects the costs associated with submitting demographic and outcome data on foster youth who receive Independent Living Program (ILP) services and those who age-out of foster care. All states are required to submit this data pursuant to the final regulations from the federal Administration for Children and Families (ACF) regarding implementation of the National Youth in Transition Database (NYTD). ACF has given states two and one half years to develop methodology and capacity for collecting data on all ILP services and foster youth cohorts. ACF has given states until October 1, 2010, to fully implement the regulation requirements and begin collecting required data.

The principle data collection method for the NYTD is a survey of current and former foster youth at ages 17, 19, and 21 years old. The surveys will be conducted through a contract with a university. Counties are required to inform 17 year olds in foster care of the purpose and scope of the survey, maintain periodic contact with former foster youth to meet federal response requirements, and secure consent forms from youth for participation in the follow-up survey. Surveys must be conducted continuously on a new cohort of 17 year olds every three years.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Code of Federal Regulations, Title 45, Part 1356.
- In Fiscal Year (FY) 2009-10 social workers will spend one hour informing the youth about the survey.
- There are approximately 4,475 youth aged 17 who will be participating in the survey.
- In FY 2010–11 social workers will spend 0.25 hours to explain and answer questions about the consent form.
- The hourly cost of a social worker is $72.60.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

The caseload is multiplied by the number of hours, multiplied by the hourly cost of a social worker. The amount budgeted for the university contract is $600,000 which is split over the Current Year and the Budget Year.

FUNDING:

After the foster care federal discount rate is applied, federally eligible costs are shared 50 percent federal Title IV-E, and the nonfederal costs are shared 70 percent General Fund and 30 percent county.

Chafee Federal National Youth in Transition Database

CHANGE FROM THE APPROPRIATION:

The decrease is due to updated caseload information and the splitting of $600,000 for the university contract over 2 years.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to implementing of second year activities.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	$625	$381
Federal	222	135
State	340	230
County	63	16
Reimbursements	0	0

Registered Sex Offender Check

DESCRIPTION:

This premise reflects costs to minimize the risk of predictable and preventable harm to vulnerable children in out-of-home care by detecting the presence/residence of a Registered Sex Offender (RSO) in prospective and approved licensed facilities and prospective and approved relative/Nonrelative Extended Family Member (NREFM) homes.

On an annual basis the California Department of Social Services, Community Care Licensing Division (CCLD) will compare transmitted Department of Justice (DOJ) sex offender files against the Child Welfare Services/Case Management System (CWS/CMS) placement information for county-licensed Foster Family Homes (FFH), Family Child Care Homes (FCCH), and county-approved relative and NREFM homes. County welfare departments will then be responsible for investigating any address matches, with the exception of relatives and NREFM homes for the 20 small counties which will be investigated by CCLD.

County welfare departments will also check all prospective licensure applicants and relative/NREFM homes against the Megan's Law Public Website and investigate all address matches. When a match resulting from the annual or prospective check is verified, county welfare departments will take appropriate action, which may include licensure and placement denial, removal of children and finding a new placement, and grievance reviews for relatives/NREFMs.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2009.

Child Welfare Services (CWS)

Prospective Relative/NREFM Check

- The caseload for Fiscal Year (FY) 2009-10 is 19,549 based on relative and NREFM placement data for Calendar Year 2008.
- The caseload for FY 2010-11 is 19,696 based on relative and NREFM placement data for the one year period from April 2008 to March 2009.
- The time required to check each home against the Megan's Law Public Website is estimated at 0.33 hours (20 minutes).
- The match rate is 0.10 percent based on the Bureau of State Audits May 2008 report.
- An investigation will be performed on each match and will require an estimated 6.75 hours.
- The hourly cost of a social worker is $72.60.

Annual Check

- For FY 2009-10, the relative placement caseload, excluding the 20 small counties, is 25,674 based on placement data for January 2009. The relative placement caseload for the 20 small counties is 424 cases.

Registered Sex Offender Check

KEY DATA/ASSUMPTIONS (CONTINUED):

- For FY 2010-11, the relative placement caseload, excluding the 20 small counties, is 24,904 based on placement data for June 2009. The relative placement caseload for the 20 small counties is 451 cases.
- Based on information from the California Welfare Directors' Association, it is assumed that an average of 1.56 children are placed per home.
- The match rate is 0.10 percent based on the Bureau of State Audits May 2008 report.
- An investigation will require an estimated 6.75 hours for each match, excluding the 20 small counties.
- The hourly cost of a social worker is $72.60.

Grievance Review

- The total number of relative/NREFM homes that are disapproved is estimated at 35.95 based on the number of all matches for prospective and annual checks each year.
- It is assumed that 20 percent of those disapproved homes will request a review.
- It is assumed that it will take an average of eight hours to review each case.
- The hourly cost of a social worker is $72.60.

Removal and Finding New Placement

- It is assumed that each address match will be verified and will result in license revocation and home disapproval.
- It is estimated that there are approximately 1.56 children placed per relative home, and approximately 16.3 relative/NREFM homes disapproved, resulting in 25.4 children being removed.
- It is estimated that there are approximately 2.5 children placed per FFH, and approximately eight licenses revoked each year, resulting in 20 children being removed . It is assumed that the removal and finding new placement will take an average of 18 hours per removal.
- The hourly cost of a social worker is $72.60.

Community Care Licensing (CCL)

Annual Check

- The FFH caseload for FY 2009-10 is 6,668 and for FY 2010-11 it is 7,183. The FCCH caseload for FY 2009-10 is 3,751 and for FY 2010-11 it is 3,725.
- The match rate is 0.10 percent.
- It is assumed that it will take an FFH licensing worker 30.90 hours and an FCCH license worker 33 hours to investigate each address match.
- It is assumed that 41 percent of the matches will require administrative action.
- It is assumed that it will take an FFH and FCCH licensing worker 31 hours for each administrative action.

Registered Sex Offender Check

KEY DATA/ASSUMPTIONS (CONTINUED):

- The hourly cost of an FFH licensing worker is $70.68.
- The hourly cost of an FCCH licensing worker is $66.30.

Application Check

- For FY 2009-10, there are 2,945 FFH and 578 FCCH applications received in Calendar Year 2008. For FY 2010-11, there are 2,927 FFH and 491 FCCH applications received in FY 2008-09.The time required to check each home against the Megan's Law Public Website is estimated at 0.33 hours (20 minutes).
- The match rate is 0.10 percent based on the Bureau of State Audits May 2008 report.
- It is assumed that it will take an FFH licensing worker 30.90 hours and an FCCH licensing worker 33 hours to investigate each address match.
- It is assumed that 41 percent of the matches will require administrative action.
- It is assumed that it will take an FFH and FCCH licensing worker 31 hours for each administrative action.
- It is assumed that it will take a licensing worker 20 minutes to check an address against the Megan's Law Public website.
- The hourly cost of an FFH licensing worker is $70.68.
- The hourly cost of an FCCH licensing worker is $66.30.

METHODOLOGY:

CWS

For relative and NREFM prospective checks, the caseload is multiplied by the time required for each check, plus the number of matches multiplied by the total hours per investigations, all multiplied by the hourly cost of a social worker ([(19,696 cases x 0.33 hours) + (19.7 matches x 6.75 hours)] x $72.60).

For annual checks, the number of homes, excluding the 20 small counties, is multiplied by the match rate, the total hours per investigation, and the hourly cost of a social worker (15,964 homes x 0.001 match x 6.75 hours x $72.60).

For grievance reviews, total matches for all counties are multiplied by the percent requesting review, the number of hours per review, and the hourly cost of a social worker (35.95 homes x 0.20 reviews x 8 hours x $72.60).

For removal and new placement activities, the total number of children removed is multiplied by the hours required to remove the child and find a new placement and the hourly cost of a social worker (45.36 children x 18 hours x $72.60).

Registered Sex Offender Check

METHODOLOGY (CONTINUED):

CCL

For FFH applications, the caseload is multiplied by the time required for each check, (2927x.33) plus, the number of matches multiplied by the total hours per investigation, (3 x 30.90) plus, the number of administrative actions (multiplied by the number of hours per action, (1x 31) all multiplied by the hourly cost of an FFH licensing worker 2,927 cases x 0.33 hours) + (3 matches x 30.9 hours) + (1 admin action x 31 hours)] x $70.68).

For FFH annual checks, the caseload is multiplied by the match rate, the total hours per investigation, plus, the number of administrative actions multiplied by the number of hours per action, all multiplied by the hourly cost of an FFH licensing worker ([(7,183 cases x 0.001 match x 30.9 hours) + (3 actions x 31 hours)] x $70.68).

For FCCH applications, the caseload is multiplied by the time required for each check, plus the number of matches multiplied by the total hours per investigation, plus the number of administrative actions multiplied by the number of hours per action, all multiplied by the hourly cost of an FCCH licensing worker ([(491cases x 0.33 hours) + (1 match x 33 hours) + (0.41 action x 31 hours)] x $66.30).

For FCCH annual checks, the caseload is multiplied by the match rate and the total hours per investigation, plus the number of administrative actions multiplied by the number of hours per action, all multiplied by the hourly cost of an FCCH licensing worker ([(3,725 cases x 0.001 match x 33 hours) + (2 actions x 31 hours)] x $66.30).

FUNDING:

For CWS, after the foster care federal discount rate of 72 percent for FY 2009-10 and 71 percent for FY 2010-11 is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent General Fund (GF). For CCL – FFH, the sharing ratio is 37.08 percent federal Title IV-E and 62.92 percent GF based on actual expenditure data from Calendar Year 2008,. FCCH costs are 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The caseloads have been updated and the foster care federal discount rate has decreased.

Registered Sex Offender Check

EXPENDITURES:

(In 000's)

TOTAL	2009-10	2010-11
	County Admin.	County Admin.
Total	$682	$686
Federal	239	236
State	443	450
County	0	0
Reimbursements	0	0

CWS	2009-10	2010-11
	County Admin.	County Admin.
Total	$555	$558
Federal	200	198
State	355	360
County	0	0
Reimbursements	0	0

(In 000's)

CCL	2009-10	2010-11
	County Admin.	County Admin.
Total	$127	$128
Federal	39	38
State	88	90
County	0	0
Reimbursements	0	0

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Increase Family Case Planning Meetings to Improve Child Welfare Outcomes

DESCRIPTION:

This premise reflects the cost to provide counties with the funding necessary to increase efforts to engage families and youth in case planning to meet the requirements of the state's federal Program Improvement Plan. This premise will fund additional social worker positions throughout California to increase the number of facilitated case planning meetings that include parents, extended family members, community service providers and others in order to strengthen reunifications and decrease foster care reentries.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2009
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The caseload is projected at 12,429 based on the number of youths that exited foster care to reunification during Fiscal Year (FY) 2007-08. Each case will receive three case planning meetings each year.
- Case planning meetings require an average of 2.7 hours.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by the number of meetings per year, the number of social worker hours, and the hourly cost of a social worker (12,429 x 3 meetings x 2.7 hours x $72.60). The Appropriation includes a statewide General Fund (GF) reduction of $1 million, $648,000 of which is applicable to the non-Title IV-E Waiver counties; the remaining amount is reflected in Item 153 in the non base premises.

FUNDING:

After the foster care federal discount rate of 71 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent GF and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

Increase Family Case Planning Meetings to Improve Child Welfare Outcomes

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$5,873	$5,873
Federal	2,085	2,085
State	2,652	2,652
County	1,136	1,136
Reimbursements	0	0

Notification of Relatives (P.L. 110-351)

DESCRIPTION:

This premise reflects the cost to notify relatives when a child has been removed from parental custody as mandated by the federal Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351) which was signed into law on October 7, 2008. Section 103 of this federal bill requires that counties perform due diligence to identify and provide notice to all adult relatives within 30 days of removal, with the exception of potentially abusive relatives. Relatives will be notified that the child has been or is being removed from parental care, the options they have under federal, state, and local laws and the requirements to become a foster family home.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351).
- Assembly Bill 938 (Chapter 261, Statutes of 2009) amended Welfare and Institutions Code Sections 309 and 628 to ensure that state law included the new federal requirements.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- An average of two hours of social worker time is required per case to identify and provide a notice to all adult relatives.
- The annual caseload for Fiscal Year (FY) 2009-10 is projected at 21,703 based on Calendar Year 2008 new out-of-home placements. The annual caseload for FY 2010-11 is projected at 20,342 based on new out-of-home placements from April 2008 to March 2009.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by the number of social worker hours per case, and the hourly cost of a social worker.

FUNDING:

After the foster care federal discount rate of 71 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

Notification of Relatives (P.L. 110-351)

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year estimate includes a full year of funding.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$1,575	$2,954
Federal	559	1,049
State	711	1,334
County	305	571
Reimbursements	0	0

Increase Relative Search and Engagement

DESCRIPTION:

This premise reflects the cost to provide counties with resources necessary to increase family finding and engagement efforts statewide in compliance with the state's federal Program Improvement Plan. Relative placements are more stable than non-relative placements, reduce foster care re-entry rates, and reduce the isolation and negative consequences on youth who exit the foster care system. The additional resources would facilitate the location of relatives as a placement option for children who are not currently placed with relatives upon entry into foster care, and would establish strong familial connections for youth in non-relative placements approaching emancipation.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2009
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- There are approximately 12,896 new entries into foster care not placed with relatives based on data for Calendar Year 2007. An average of eight hours of social worker time per case will be required to search for and engage relatives.
- There are approximately 3,408 youths age 16 and above not currently placed with relatives and that have been in foster care for at least 18 months based on data as of June 30, 2008. An average of 27.5 hours of social worker time per case will be required to search for and engage relatives.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by the respective number of social worker hours and the hourly cost of a social worker ((12,896 x 8 x $72.60) + (3,408 x 27.5 x $72.60)).

The Appropriation includes a statewide General Fund (GF) reduction of $1.5 million, $956,000 of which is applicable to the non-Title IV-E Waiver counties; the remaining amount is reflected in Item 153 in the non base premises.

FUNDING:

After the foster care federal discount rate of 71 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent GF and 30 percent county.

Increase Relative Search and Engagement

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$12,176	$12,176
Federal	4,322	4,322
State	5,498	5,498
County	2,356	2,356
Reimbursements	0	0

Child Welfare Services Reduction

DESCRIPTION:

Child Welfare Services (CWS) provides case management and services for abused and neglected children and their families. The program also provides for training and technical assistance for administrators and staff. This proposal is a reduction to the total General Fund (GF) for CWS. Due to lower revenue projections, budget reductions are needed to balance the Fiscal Year (FY) 2009-10 and FY 2010-11 budgets.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- The amount of the GF reduction for the non-Title IV-E Waiver counties is $60,881,000.
- The amount of the GF reduction for the Title IV-E Waiver counties is $19,075,000.

METHODOLOGY:

The GF reduction for FY 2009-10 and FY 2010-11 is held to the Budget Act 2009 Appropriation.

FUNDING:

The reduction is 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	County Admin.	County Admin.
Total	-$79,956	-$79,956
Federal	0	0
State	-79,956	-79,956
County	0	
Reimbursements	0	0

Child Welfare Services Reduction

EXPENDITURES (CONTINUED):
(in 000's)

Item 151	2009-10	2010-11
Total	-$60,881	-$60,881
Federal	0	0
State	-60,881	-60,881
County	0	
Reimbursements	0	0

Item 153	2009-10	2010-11
Total	-$19,075	-$19,075
Federal	0	0
State	-19,075	-19,075
County	0	0
Reimbursements	0	0

Probation Access to CWS/CMS

DESCRIPTION:

This premise reflects the cost associated with providing probation officers with the training necessary to fully utilize the Child Welfare Services/Case Management System (CWS/CMS). Probation staff need this training in order to fulfill their case management responsibilities related to entering data and ensuring that the correct fields are populated for state collection and reporting to the federal Administration for Children and Families. This premise also includes the funding to increase the number of probation officers that can access CWS/CMS.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- There are one-time costs of purchasing secure ID tokens for 385 probation officers, at $70 each.
- The monthly fee for the tokens is $27 each.
- Under the "Increase Funding for Caseworker Visits", 175 tokens were purchased for probation officers, and those monthly fees are funded under that premise.
- The first year training costs of $1,070,000 and are derived from the existing training contract. The training will be provided to 560 probation officers.

METHODOLOGY:

The number of tokens to be purchased is multiplied by $70. The number of tokens is multiplied by the monthly fee for the token, multiplied by twelve to get the annual cost. The new user training costs are then added.

FUNDING:

After the foster care federal discount rate of 71 percent is applied, federally eligible costs are shared 50 percent Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

Probation Access to CWS/CMS

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	$0	$1,222
Federal	0	434
State	0	552
County	0	236
Reimbursements	0	0

Adoptions Program – Basic Costs

DESCRIPTION:

This premise reflects costs associated with agency (relinquishment) and independent adoptions for 30 counties. Although only 28 counties provide adoptive services, these costs include funding for independent adoptions and services in two adjacent counties. Relinquishment and agency adoption include:

1. Agency (Relinquishment) Adoptions - Placements through a licensed adoption agency in which a child to be adopted has been relinquished by his or her legal parents or in which, due to abuse or neglect, parental rights have been terminated by court action.
2. Independent Adoptions - Placements in which the parents place a child directly with an adopting family or persons of their choice.

The 1996 Adoptions Initiative (Assembly Bill 1524, Chapter 1083, Statutes of 1996) was introduced to maximize adoption opportunities for children in public foster care and reduce the foster care population. Counties were funded based on performance agreements that increased the number of adoption social workers in an effort to double the number of statewide adoptive placements. As a result of the Adoptions Initiative, the annual number of foster children who were placed in an adoptive home increased from 3,000 to over 7,200.

Previously, this premise was separated from the Adoptions Initiative premise in order to illustrate the fiscal impact of the Initiative. However, since achieving the goal of doubling the number of statewide adoptions, this premise now combines the Adoptions Initiative with the Adoption Program basic costs to fund the program with 560.55 full-time equivalents (FTEs).

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16100 through 16106.
- The counties are funded with 560.55 FTEs in each Fiscal Year (FY).
- The statewide average annual unit cost of an adoption worker was held at $128,564 for each FY.
- Additional federal spending authority in the amount of $9,941,591 for FY 2009-10, and $8,794,357 for FY 2010-11 is included based on actual historical expenditure data.
- The Improving Adoptions Outcomes Appropriation has been rolled into the Adoptions Basic Costs.
- The savings associated with increasing the Independent Adoptions fees is reflected in the Adoptions Basic Costs.

METHODOLOGY:

- Estimates are individually calculated for each county that performs its own adoptive services by multiplying the number of FTEs by the county's annual adoption worker unit cost.
- Additional federal funds are included to bring the federal spending authority up to a level based on actual historical expenditure data.

Adoptions Program – Basic Costs

FUNDING:

The sharing ratio for FY 2009-10 is 42.11 percent federal and 57.89 percent nonfederal based on actual expenditure data from FY 2007-08. The sharing ratio for FY 2010-11 is 42.09 percent federal and 57.91 percent nonfederal based on actual expenditure data from FY 2008-09. The nonfederal share is 100 percent General Fund. Additional federal funding is included in the amount of $9,941,591 for FY 2009-10 and $8,794,357 for FY 2010-11 to provide sufficient federal spending authority to a level based on actual historical expenditure data.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The nonfederal sharing ratio has increased and the amount of additional federal funding has decreased.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$93,049	$91,970
Federal	45,013	43,901
State	48,036	48,069
County	0	0
Reimbursements	0	0

Older Foster Youth Adoption Project

DESCRIPTION:

This premise reflects the costs to establish a three year project in four counties to provide preadoption and postadoption services as required by Assembly Bill (AB) 1808 (Chapter 75, Statutes of 2006). These services are aimed at ensuring the successful adoption of children and youth who have been in foster care 18 months or more, are at least nine years of age, and are placed in an unrelated foster home or in a group home.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 1808.
- AB 1808 specifies San Francisco and Los Angeles Counties as two of the participating counties. The two additional counties selected are Alameda and Kern Counties based on criteria developed by the California Department of Social Services and the County Welfare Directors Association.
- AB 295 extended the pilot end date to June 30, 2010.

METHODOLOGY:

As specified in AB 1808, $750,000 General Fund (GF) is made available for San Francisco County and $1,250,000 GF is made available for Los Angeles County. Also, $2,000,000 is made available for the other two counties, less costs to implement the pilot in one State District Office ($300,000 GF).

FUNDING:

For Fiscal Year (FY) 2009-10, the federal share of cost is 42.11 percent and the GF share is 57.89 percent based on FY 2007-08 actual expenditures for the Adoptions Basic program.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The pilot project expires June 30, 2010.

Older Foster Youth Adoption Project

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$6,391	$0
Federal	2,691	0
State	3,700	0
County	0	0
Reimbursements	0	0

Private Agency Adoption Reimbursement Payments

DESCRIPTION:

This premise reflects the costs of providing private agency adoption reimbursement payments (PAARP) to private adoption agencies for expenditures associated with adoptive placements of special needs children. Assembly Bill (AB) 1524 (Chapter 1083, Statutes of 1996) established a $3,500 compensatory limit per placement of special needs children. AB 1225 (Chapter 905, Statutes of 1999) increased the compensatory limit per placement to $5,000 per adoptive placement of a special needs child. Senate Bill (SB) 84 (Chapter 177, Statutes of 2007) increased the compensatory limit per placement to $10,000 per placement of a special need child for which the adoptive home study approval occurred on or after July 1, 2007.

Once the child is placed, a claim is submitted to the California Department of Social Services (CDSS) for an individual child by the private adoption agency. CDSS program staff review the claim, verify federal eligibility, and forward the claim(s) to the Office of the State Controller for direct issuance of a reimbursement payment to the private adoption agency. Fiscal control is maintained by CDSS program staff.

IMPLEMENTATION DATE:

This premise was originally implemented on July 1, 1992.

The AB 1225 reimbursement payment increase went into effect on July 1, 1999.

The SB 84 reimbursement payment increase went into effect on February 1, 2008, for all qualifying placements.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16120 through 16122.
- For Fiscal Year (FY) 2009-10 the caseload, based on actual caseload and expenditure data, is projected at 3,635, with a cost of $6,649 per adoptive placement. For FY 2010-11 the caseload, based on actual caseload and expenditure data, is projected at 4,049, with a cost of $7,450 per adoptive placement.
- The reimbursement increase up to $10,000 results in additional adoptive placements that began phaseing-in in October 2008 resulting in additional costs in the Adoption Assistance Payment (AAP) program and savings in the Foster Care (FC) grants, FC administration and Child Welfare Services (CWS) administration that are not already in the caseload trends.
- AAP program costs are based on the average Foster Family Homes (FFH) grant of $736.33 and 1,371 case months in FY 2009-10. The projected cumulative case month impact for FY 2010-11 is 3,903.
- FC grant savings for Non-Title IV-E Waiver counties are based on cases moving from FFH and Foster Family Agencies (FFA). The case months are projected at 854 for FY 2009-10 and 2,430 for FY 2010-11. The weighted average grant amount is $863.01.
- For the Non-Title IV-E Waiver counties, CWS administrative savings of $371 in FY 2009-10 and $385 in FY 2010-11 per permanent placement case each month will be realized as a result of the additional cases exiting the child welfare system. For FY 2009-10 there are 1,134 case months of savings. For FY 2010-11 there are 2,722 case months of savings.
- FC (Non-Title IV-E Waiver counties) and AAP administrative savings are the average cost per case based on actual data.

Private Agency Adoption Reimbursement Payments

METHODOLOGY:

- To determine the PAARP basic cost, the projected number of private agency adoptive placements was multiplied by the reimbursement cost per placement.
- The AAP estimate was calculated by multiplying the average federal and nonfederal FFH grant by the projected case months.
- The estimated savings in foster care for the Non-Title IV-E Waiver counties was calculated by multiplying the average federal and nonfederal FFH and FFA weighted average by the projected case months.
- CWS administrative savings are calculated by applying the permanent placement cost per case to total case months avoided due to cases exiting from the child welfare system.
- Net FC and AAP administrative savings are calculated by multiplying the average cost per case by the projected case months.

FUNDING:

The Adoptions program, AAP program, FC program, FC administration and CWS administrative costs/savings are shared at the same ratios as in their respective programs.

CHANGE FROM THE APPROPRIATION:

The Current Year (CY) decrease for FC 101, FC 141, CWS 151 savings, Adoptions 151 costs and AAP 101 cost estimates are based on updated caseloads and grants.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in the FC Item 101, FC Item 141, CWS Item 151 savings and the increase in AAP Item 101 costs reflect the cumulative impact of ongoing costs. For the Adoptions program the change reflects an increased caseload.

EXPENDITURES:

(in 000's)

ITEM 101 – Foster Care Savings	2009-10 Grant	2010-11 Grant
Total	-$736	-$2,096
Federal	-368	-1,048
State	-147	-419
County	-221	-629
Reimbursements	0	0

Private Agency Adoption Reimbursement Payments

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 –	2009-10	2010-11
AAP – Grant Costs	Grant	Grant
Total	$1,010	$2,874
Federal	339	966
State	503	1,431
County	168	477
Reimbursements	0	0

ITEM 141 –	2009-10	2010-11
Foster Care Admin Savings	County Admin.	County Admin.
Total	-$61	-$174
Federal	-31	-87
State	-21	-61
County	-9	-26
Reimbursements	0	0

ITEM 151 – CWS Admin Savings	2009-10 County Admin.	2010-11 County Admin.
Total	-$421	-$1,048
Federal	-150	-372
State	-190	-473
County	-81	-203
Reimbursements	0	0

Private Agency Adoption Reimbursement Payments

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 151 – Adoptions Cost	2009-10	2010-11
	County Admin.	County Admin.
Total	$24,167	$30,164
Federal	10,270	12,818
State	13,897	17,346
County	0	0
Reimbursement	0	0

Foster and Adoptive Home Recruitment

DESCRIPTION:

This premise reflects the costs associated with using the services of local community organizations to increase the pool of minority adoptive families in an effort to place more minority children. The program is administered via contracts between the California Department of Social Services and private providers; counties are not directly involved.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1982.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Federal Multiethnic Placement Act.
- The Foster and Adoptive Home Recruitment program will fund three contracts with private providers in the Current Year and the Budget Year.

METHODOLOGY:

- The estimate for Fiscal Year (FY) 2009-10 and FY 2010-11 is based on anticipated and actual executed contracts.
- The foster care federal discount rate is 72 percent for FY 2009-10 and 71 percent for FY 2010-11.

FUNDING:

After the foster care federal discount rate is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to updating the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$447	$444
Federal	161	158
State	286	286
County	0	0
Reimbursements	0	0

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County Counsel Costs

DESCRIPTION:

This premise reflects the costs of the parental rights termination proceedings for those counties that do not provide their own adoption services. For these counties, Senate Bill 243 (Chapter 1485, Statutes of 1987) transferred the function of terminating parental rights for court dependents from the State Attorney General's Office to the county counsels, effective January 1, 1990.

Cost elements of the parental rights termination function are primarily attorney and paralegal costs; however, they also include minor costs such as publication of notices, process server fees, court reporter fees, sheriff fees, and expert witness fees.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1990.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institution Code sections 16100 through 16106.
- For Fiscal Year (FY) 2009-10 and FY 2010-11, the average cost per case is $7, 711 based on actual data from FY 2008-09.
- For those counties that report expenditures, the projected number of children freed for adoption by county counsels is 238 for FY 2009-10 and FY 2010-11.

METHODOLOGY:

The average cost per case was derived by dividing the expenditures by the number of children freed during that same period. The average cost per case was then multiplied by the projected number of children to be legally freed for adoption.

FUNDING:

For FY 2009-10, and FY 2010-11 the state and federal share is based on the actual sharing ratio for FY 2008-09 expenditures.

CHANGE FROM THE APPROPRIATION:

The change is due to updated actual caseload and expenditures.

County Counsel Costs

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$1,835	$1,835
Federal	917	917
State	918	918
County	0	0
Reimbursements	0	0

Nonrecurring Adoption Expenses

DESCRIPTION:

This premise reflects costs to reimburse families for nonrecurring adoption expenses associated with adopting special needs children. These costs may include, but are not limited to, legal fees, court filing fees, special medical examinations, and psychological evaluations. Only families adopting special needs children are eligible for reimbursement of these one-time costs.

The California maximum reimbursement amount is $400 with a 50 percent federal sharing ratio. Assembly Bill 2129 (Chapter 1089, Statutes of 1993) made this cap permanent.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1990.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16120.1.
- The maximum reimbursement that can be applied to each case is $400.
- Approximately 68 percent of all adopted children can be classified as special needs children.
- Based on actual caseload and expenditure data, an average of 40.62 percent will submit claims in Fiscal Year (FY) 2009-10 and 39.19 percent will submit claims in FY 2010-11.

METHODOLOGY:

The estimate was developed by multiplying the projected number of adoptions by the percentage that would qualify as special needs cases (6,933 adoptions x 68 percent). This number was then multiplied by the average percentage of submitted claims, and then by the maximum reimbursement amount.

FUNDING:

The funding for these reimbursements is 50 percent federal and 50 percent General Fund. There is no county share.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The percentage of submitted claims has decreased.

Nonrecurring Adoption Expenses

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$798	$740
Federal	399	370
State	399	370
County	0	0
Reimbursements	0	0

Specialized Training for Adoptive Parents (STAP)

DESCRIPTION:

This premise reflects the costs associated with implementing Assembly Bill (AB) 2198 (Chapter 1014, Statutes of 1998) which provides special training and services to facilitate the adoption of children who are HIV positive or who have a condition of symptoms resulting from substance abuse by the mother. Specifically, this funding will provide recruitment, special training and respite care to families adopting court dependent children who are either HIV positive or assessed as being prenatally exposed to alcohol or a controlled substance. This program is similar to the Child Welfare Services Substance Abuse/HIV Infant Program (Options for Recovery) authorized by AB 67 (Chapter 606, Statutes of 1997).

IMPLEMENTATION DATE:

This premise implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16135 through 16135.30.
- This program is available to any county requesting participation pursuant to established procedures and to the extent funds are available. There are currently seven counties (El Dorado, Monterey, Riverside, San Francisco, San Luis Obispo, Santa Cruz, and Shasta) that are participating in this program.
- The foster care federal discount rate is 72 percent for Fiscal Year (FY) 2009-10 and 71 percent for FY 2010-11.

METHODOLOGY:

The estimate for this program was developed by calculating the costs for each of the three separate components (respite care, training, and recruitment). The total program funding is approximately $1,829,000, based on the $1,000,000 General Fund (GF) appropriation in AB 2198 for the implementation of this program.

FUNDING:

After the foster care federal discount rate is applied, federally-eligible recruitment activities are funded with 50 percent federal funds and 50 percent nonfederal funds. The nonfederal funds are shared 70 percent GF and 30 percent county.

After the foster care federal discount rate is applied, federally-eligible training costs are funded with 75 percent federal funds and 25 percent nonfederal funds. The nonfederal funds are shared 70 percent GF and 30 percent county.

Respite care is funded with 70 percent GF and 30 percent county funds.

Specialized Training for Adoptive Parents (STAP)

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to an adjustment in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$1849	$1829
Federal	420	400
State	1,000	1,000
County	429	429
Reimbursements	0	0

Nonresident Petitions for Adoption (AB 746)

DESCRIPTION:

This premise reflects the costs associated with conducting home studies for non-California residents who file a petition for either an agency or independent adoption in the county where the child resides. Assembly Bill (AB) 746 (Chapter 1112, Statutes of 2002) requires a review to be conducted and an endorsed home study report to be completed by either the California Department of Social Services or a California licensed adoption agency. This home study report would need approval in the nonresident petitioner's state.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Family Code sections 8714 through 8715, 8802, and 8807.
- AB 746 would result in an increase of 33 more out-of-state adoptions.
- Each new case would require, on average, 2.5 visits per year.
- It would take 16 hours, including travel, to conduct each visit.
- Travel costs are estimated to be $624 (including per diem) per visit.
- The average hourly cost for a social worker is $72.60.

METHODOLOGY:

The estimate was developed by first multiplying the number of new cases by the average number of visits required (33 new cases x 2.5 visits per case = 82.5 total visits). The average cost of the social worker ($72.60 per hour x 16 hours per visit = $1,162) was added to the travel costs ($1,162 cost of social worker + $624 travel costs = $1,786). This total cost was then multiplied by the number of total visits (82.5 total visits x $1,786 cost per visit = $147,312).

FUNDING:

For Fiscal Year (FY) 2009-10, the federal share of costs is 42.11 percent and the General Fund (GF) share is 57.89 percent based on Fiscal Year (FY) 2007-08 actual expenditures for the Adoptions Basic program. For FY 2010-11, the federal share of costs is 42.09 percent and the GF share is 57.91 percent based on FY 2008-09 actual expenditures for the Adoptions Basic program.

CHANGE FROM THE APPROPRIATION:

There is no change.

Nonresident Petitions for Adoption (AB 746)

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$147	$147
Federal	62	62
State	85	85
County	0	0
Reimbursements	0	0

Adoptions Incentives (P.L. 110-351)

DESCRIPTION:

This premise, formerly known as "Improving Adoptions Incentives (HR 6893)", represents the amount of federal funding that the state is eligible to receive as a result of P.L. 110-351 the federal Fostering Connections to Success and Increasing Adoptions Act, which was signed into law on October 7, 2008. This program is designed to reward states with incentive funds for increasing their finalized adoptions in the Federal Fiscal Year (FFY). The amount of incentive funds is determined by the Adoption and Foster Care Analysis and Reporting System (AFCARS). AFCARS data are submitted to the federal government twice a year.

The federal incentive money is capped at $43 million for the states cumulatively for each FFY. California will receive the incentive payment one year later and will have 24 months to expend the funds. The incentive money must be used to provide basic adoptive services.

There is an additional incentive payment available to states if the state's adoption rate exceeds its highest recorded foster child adoption rate since 2002.

Assembly Bill (AB) 665 requires the state to reinvest adoption incentive payments, received through the implementation of specified provisions of federal law, into the child welfare system, in order to provide legal permanency outcomes for older children, including, but not limited to, adoption, guardianship, and reunification of children whose reunification services were previously terminated.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351).
- AB 665 (Chapter 250, Statutes of 2009) amended the Welfare and Institutions code to specify how Adoption Incentive funds should be used. This includes a requirement that a portion of the funds be allocated to the California Department of Social Services (CDSS) Adoption District Offices in counties where they serve as the adoption agency.
- The number of finalized adoptions for FFY 2007 was 7,622. This was the comparison year in order to qualify for incentives.
- California's share of the $43 million in each FFY is based on the number of increased adoptions from the base year.
- The final grant amount for FFY 2008 is $1,504,944. These funds will be available to spend through December 31, 2011.
- Pursuant to AB 665, a portion of the federal grant amount will be allocated to the CDSS District Offices and the remainder will be distributed to counties. As required by the bill, the allocation methodology is still being developed in consultation with counties.

Adoptions Incentives (P.L. 110-351)

METHODOLOGY:

The incentive is based on the federal grant amount.

FUNDING:

The incentives are 100 percent federal funds.

CHANGE FROM THE APPROPRIATION:

The change is due to the federal award letter and moving funds for use in the Budget Year (BY).

REASON FOR YEAR-TO-YEAR CHANGE:

Federal funding will be used in the BY.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
Total	$0	$1,505
Federal	0	1,505
State	0	0
County	0	0
Reimbursements	0	0

County Third Party Contracts

DESCRIPTION:

This premise reflects the costs associated with the Child Abuse Prevention, Intervention, and Treatment (CAPIT) program. Assembly Bill 1733 (Chapter 1398, Statutes of 1982) established CAPIT to fund prevention and intervention services for children at risk of abuse and/or neglect. Contracts with community-based public and private agencies utilize CAPIT funds to provide services to high-risk children and their families, as well as training and technical assistance to funded agencies. The program includes a local assistance contract component of approximately $1.0 million which funds innovative, child-centered approaches for the prevention of child abuse and neglect.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 18960 through 18965.
- These funds are used to fulfill federal Community-Based Child Abuse Prevention (CBCAP) grant matching and leveraging requirements.

METHODOLOGY:

Total funding is divided among county allocations, innovative services, and training and technical assistance/state support as follows:

- County Allocations: Counties are allocated a total of $12,356,000 through Fiscal Year (FY) 2011-12. Small counties receive a preset minimum funding level, and the remaining distribution uses a formula that considers a county's child population (under age 18), children receiving public assistance, and child abuse reports.
- Innovative Services Contracts: There is $1,039,000 appropriated for innovative services contracts through FY 2011-12. A competitive bid process determines the grantees of innovative services contracts.
- Training and Technical Assistance (T&TA)/State Support: The funding is $306,200 to ensure that the programs effectively serve high-risk children and their families, provide for regional training on various child abuse issues and periodic statewide training institutes, and provide state support for the program. Of the $306,200, $200,000 is appropriated for a statewide nonprofit consortium. The T&TA/State Support amount is not included in the local assistance budget because none of these are eligible activities for Title IV-E funding.

FUNDING:

The CAPIT funding is 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

County Third Party Contracts

EXPENDITURES:

(in 000's)	2009-10	2010-11
	Grant	Grant
Total	$13,395	$13,395
Federal	0	0
State	13,395	13,395
County	0	0
Reimbursements	0	0

Federal Grants

DESCRIPTION:

This premise reflects the federal grants associated with assisting local and private agencies in the development and strengthening of child abuse and neglect prevention and treatment programs. These federal grants include those under the Child Abuse Prevention and Treatment Act (CAPTA). The CAPTA grants consist of Title I (consisting of the former Parts A and B) and Title II, otherwise known as the Community-Based Child Abuse Prevention (CBCAP) grant. Approximately 50 percent of each annual CBCAP grant award is allocated to the counties. The CBCAP grant was formerly known as the Community-Based Family Resource and Support (CBFRS) grant.

In Fiscal Year (FY) 2006-07 the California Department of Social Services (CDSS) received the Linkages Grant. CDSS in collaboration with the Child and Family Policy Institute of California will enhance, expand, and measure the impacts of Linkages. Linkages is a strategic effort involving nearly 30 counties in California to improve coordination between California Work Opportunity and Responsibility to Kids (CalWORKs) and Child Welfare Services (CWS). The mission of Linkages is to deepen and broaden collaboration and coordination of CalWORKs and CWS at the county level to better serve families and improve outcomes. Through training and support, Linkages will also work towards increasing the number of counties co-locating services, support counties in developing strategies to serve at least one identified underserved population, and strengthen data collection practices and counties' use of data for continuous improvement of service delivery and systems integration.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18958.
- Project funding is contingent upon continued receipt of federal grant awards.
- CBCAP grant awards are contingent upon using Child Abuse Prevention, Intervention, and Treatment (CAPIT) funds to fulfill nonfederal matching and leveraging requirements.

METHODOLOGY:

The CAPTA federal grants average approximately $3 million annually and have a lifetime limit of five years to fully expend the annual grant. This allows states flexibility in the use and support of multi-year projects. The Linkages Grant is $400,000 annually and has a lifetime limit of five years to fully expend the annual grant.

Federal Grants

METHODOLOGY (CONTINUED):

The total reflects the following federal grants:

	2009-10	2010-11
• CAPTA Title I Grants	$5,660,000	$5,040,000
• CAPTA Title II – CBCAP Grants	$5,340,155	$3,340,103
	$11,000,155	$8,380,103
• Linkages Grant	$400,000	$400,000

FUNDING:

Funding for these projects is 100 percent federal grant funds. The Linkages grant is 90 percent federal grant funds with a 10 percent match using CAPIT funds.

CHANGE FROM THE APPROPRIATION:

The increase in FY 2009-10 is due to an updated spending plan.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to lower anticipated federal grant amounts.

EXPENDITURES:

(in 000's)	2009-10 Grant	2010-11 Grant
Total	$11,400	$ 8,780
Federal	11,400	8,780
State	0	0
County	0	0
Reimbursements	0	0

State Children's Trust Fund Program

DESCRIPTION:

This premise reflects the revenue available for the State Children's Trust Fund (SCTF) in California. The SCTF provides funding for innovative child abuse and neglect prevention and intervention projects utilizing deposits generated from birth certificate surcharges, state income tax designations, and private donations. Project funding is awarded through proposals submitted to the Office of Child Abuse Prevention (OCAP) of the California Department of Social Services (CDSS).

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18969.
- The Office of the State Controller accounts for deposits to the SCTF and advises CDSS as to the availability of funds.

METHODOLOGY:

This premise reflects the current funding available for the SCTF, as provided by OCAP.

FUNDING:

The SCTF is used to research, evaluate, and disseminate information to the public, and to establish public-private partnerships with foundations and corporations to increase public awareness about child abuse and neglect via media campaigns, and to seek continued contributions to the fund.

CHANGE FROM THE APPROPRIATION:

The change is due to an updated spending plan.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)	2009-10	2010-11
	Grant	Grant
Total	$3,600	$3,600
Federal	0	0
State	3,600	3,600
County	0	0
Reimbursements	0	0

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County Services Block Grant – Basic Costs

DESCRIPTION:

This premise reflects the County Services Block Grant (CSBG) funding provided to the counties. The CSBG provides funds for Adult Protective Services (APS) and APS administrative costs. The CSBG may also be used to fund related optional services and activities to the extent funds are available.

Non-Medical Out-of-Home Care (NMOHC) administrative costs related to the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program have also been included in this premise since Fiscal Year (FY) 2000-01. These NMOHC costs were previously reflected in the "Small Programs (non-CalWORKs) Block Grant" premise.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13004 through 13007.
- The General Fund (GF) is block granted at $10.5 million.
- The county match ($10.9 million) reflects the FY 1996-97 CSBG county expenditure level. Senate Bill 2199 (Chapter 946, Statutes of 1998) required the counties to maintain their FY 1996-97 APS expenditure level for CSBG purposes.
- The Title XIX reimbursement rate is assumed to be 39.27 percent, based on the actual federal reimbursement percentage claimed on county administrative expense claims for the past four quarters.

METHODOLOGY:

- In the Current Year (CY), estimated costs are computed by adding the GF block grant, the county match , the Title XIX reimbursements and the NMOHC costs ($10,500,000 + $10,936,000 + $20,873,330 + $418,724 = $42,728,054).
- In the Budget Year (BY), the estimated costs are computed by adding the GF block grant, the county match, the Title XIX reimbursements and the NMOHC costs ($10,500,000 + $10,936,000 + $20,873,330 + $388,691 = $42,698,021).

FUNDING:

- GF for CSBG is block granted at $10.5 million with county participation at the maintenance of effort level.
- NMOHC is funded with 100 percent GF.
- The Title XIX reimbursements are as follows:
  - Health-related activities performed by skilled professional medical personnel are eligible for Title XIX reimbursement at 75 percent.
  - Health-related activities performed by non-skilled professional medical personnel are eligible for Title XIX reimbursement at 50 percent.

County Services Block Grant – Basic Costs

CHANGE FROM THE APPROPRIATION:

The CY change reflects an increase in Title XIX reimbursements.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY change is due to a decrease in the NMOHC administrative cost.

EXPENDITURES:

(in 000's)	2009-10 Grant/Admin.	2010-11 Grant/Admin.
Total	$42,728	$42,698
Federal	0	0
State	10,919	10,889
County	10,936	10,936
Reimbursements	20,873	20,873

Adult Protective Services

DESCRIPTION:

This premise reflects the funds available over and above the funds provided in the County Services Block Grant (CSBG) for the provision of Adult Protective Services (APS). Senate Bill (SB) 2199 (Chapter 946, Statutes of 1998) established a statewide mandated APS program and provided these additional funds for expanded APS activities. The county share of APS expenditures are held at the Fiscal Year (FY) 1996-97 county match level for the CSBG. The APS program has been funded in whole or in part under CSBG since the 1984 Budget Act. The APS program, administered by the county welfare departments, provides assistance to elderly and dependent adults who are functionally impaired, unable to meet their own needs, and who are victims of abuse, neglect, or exploitation.

The APS program, as defined in SB 2199, requires the counties to respond to reports of elder and dependent adult abuse on a 24-hour emergency response basis. Among the services required by SB 2199 are investigations, needs assessments, and case management services. SB 2199 also provides for necessary tangible resources such as food, emergency shelter care, in-home protection, transportation, and the use of multidisciplinary teams.

IMPLEMENTATION DATE:

- This premise implemented on July 1, 1997.
- The enhanced APS program became effective May 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Elder Abuse and Dependent Adult Civil Protection Act, commencing Welfare and Institutions Code section 15600.
- This program received a $20 million General Fund (GF) augmentation in the 1998 Budget Act to provide counties with additional resources needed to implement the statewide mandated APS program. An additional $25.3 million GF augmentation was provided in the 1999 Budget Act.
- Effective FY 1998-99, counties are assumed to have no share of the APS costs of this premise beyond their share in APS under the CSBG. SB 2199 held county costs to the FY 1996-97 CSBG expenditure level.

METHODOLOGY:

The GF estimated expenditures are held at the FY 2002-03 levels and the Federal Title XIX reimbursement is based on actual expenditures for FY 2007-08.

FUNDING:

- The program is funded with GF and Title XIX reimbursements.
- The Title XIX reimbursements are as follows:
  - Health-related activities performed by skilled professional medical personnel are eligible for Title XIX reimbursement at 75 percent.

Adult Protective Services

FUNDING (CONTINUED):

- Health-related activities performed by non-skilled professional medical personnel are eligible for Title XIX reimbursement at 50 percent.

CHANGE FROM THE APPROPRIATION:

The Current Year increase reflects a change in Title XIX reimbursements.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$99,822	$99,822
Federal	0	0
State	50,179	50,179
County	0	0
Reimbursements	49,643	49,643

APS Contract for Training Curriculum

DESCRIPTION:

This premise reflects the cost of a multi-year contract with a qualified institution, agency or consultant to:

- Develop a comprehensive statewide training curriculum for county Adult Protective Services (APS) workers that will be owned by the state and shared with county APS agencies;
- Present the training curriculum to all APS workers, which includes scheduling and arranging training in all regions of the state and producing all required training materials; and,
- Periodically update the curriculum and its content to reflect changes to APS laws, policies and practices, and provide updated training to APS workers.

The purpose of the training will be to educate county APS workers on the new APS program standards, requirements and mandates established by passage of Senate Bill 2199 (Chapter 946, Statutes of 1998), and subsequent legislation. The training is intended to promote statewide uniformity and consistency in the administration and delivery of services under the APS program.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2001.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Elder Abuse and Dependent Adult Civil Protection Act, commencing Welfare and Institutions Code section 15600.
- The cost for ongoing training activities is estimated to be $176,000 annually.

METHODOLOGY:

The funding for this premise reflects the amount of the contract.

FUNDING:

The federal Title XIX reimbursement represents 12.5 percent of the total funding. The nonfederal share is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

APS Contract for Training Curriculum

EXPENDITURES:

(in 000's)

	2009-10 Contracts	2010-11 Contracts
Total	$176	$176
Federal	0	0
State	154	154
County	0	0
Reimbursements	22	22

Reduce Adult Protective Services Program by Ten Percent

DESCRIPTION:

This premise reflects saving resulting from reducing the funds available for the provision of Adult Protective Services (APS) by ten percent effective July 1, 2008. This premise was necessitated by budget balancing reductions.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

- This premise reflects reductions in APS and County Services Block Grant (CSBG) Basic funding.
- The county match ($10.9 million) required by Senate Bill 2199 (Chapter 946, Statutes of 1998) is not impacted.

METHODOLOGY:

The savings reflects ten percent of the projected expenditures for APS and CSBG for Fiscal Year (FY) 2009-10 and FY 2010-11.

FUNDING:

- The program is funded with General Fund and Title XIX reimbursements.
- The Title XIX reimbursements are as follows:
  - Health-related activities performed by skilled professional medical personnel are eligible for Title XIX reimbursement at 75 percent.
  - Health-related activities performed by non-skilled professional medical personnel are eligible for Title XIX reimbursement at 50 percent.

CHANGE FROM THE APPROPRIATION:

The Current Year was held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year was updated to reflect current funding.

Reduce Adult Protective Services Program by Ten Percent

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	-$11,432	-$13,176
Federal	0	0
State	-6,127	-6,122
County	0	0
Reimbursements	-5,305	-7,054

Community Care Licensing - Foster Family Homes

DESCRIPTION:

This premise reflects the costs of providing basic funding for Foster Family Home (FFH) licensing and recruitment services. The California Community Care Facilities Act authorizes counties to provide FFH licensing services. There are currently 38 counties providing FFH licensing and recruitment services. FFHs in the remaining 20 counties are licensed by the California Department of Social Services' (CDSS) Community Care Licensing (CCL) program. For these counties, funds are provided for the purpose of recruiting FFH providers.

Effective Fiscal Year (FY) 2003-04, CDSS implemented a Targeted Visits protocol to streamline the annual review process of licensed care facilities to focus on facilities in which health and safety may be at greatest risk, or those facilities that require an annual visit as a condition of federal funding. A random sample (30 percent for FY 2009-10) of the remainder of the facilities is subject to annual unannounced visits. Current law requires that all facilities be visited at least once every five years and if the number of citations increases by ten percent over the prior year, the number of unannounced visits must also increase by ten percent.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1500 through 1519.
- The workload standards used to determine Full Time Equivalents (FTE) for targeted visits for FY 2009-10 and FY 2010-11 is 120 cases per worker.
- The worker to supervisor ratio used to determine the total number of FTEs is 6.25:1. The average statewide unit cost is held at the FY 2002-03 unit cost of $125,663.
- Mendocino County returned their licensing function back to CDSS CCL District Office effective July 1, 2009.

METHODOLOGY:

FY 2009-10

The estimate was developed by determining the number of FTEs based on an updated FY 2009-10 average caseload of 7,259. This caseload was divided by the workload standards of cases per worker to derive the number of nonsupervisory FTEs (7,259 cases ÷ 120 cases per worker = 60.49 FTEs). The FTEs were expanded to include supervisors at a ratio of 6.25:1 to determine the total number of FTEs ([60.49 FTEs ÷ 6.25 supervisor ratio] + 60.49 FTEs = 70.17 FTEs). The total number of FTEs is then multiplied by the unit cost (70.17 x $125,663). The federal and General Fund (GF) sharing ratio was applied.

The total estimate was derived by adding the recruitment-only allocation to the FFH program estimate ($8,817,810+ $877,764). Then, an additional $3,632,926 in federal spending authority, based on a three-year average of actual expenditures, was included. The recruitment-only amount is held at the FY 2005-06 funding level. The FFH portion of the *Gresher v. Anderson* premise ($27,000 total funds) is included in this premise.

Community Care Licensing - Foster Family Homes

METHODOLOGY (CONTINUED):

FY 2010-11

The estimate was developed by determining the number of FTEs based on an updated FY 2010-11 average caseload of 7,183. This caseload was divided by the workload standards of cases per worker to derive the number of nonsupervisory FTEs (7,183 cases ÷ 120 cases per worker = 59.86 FTEs). The FTEs were expanded to include supervisors at a ratio of 6.25:1 to determine the total number of FTEs ([59.86 FTEs ÷ 6.25 supervisor ratio] + 59.86 FTEs = 69.44 FTEs). The total number of FTEs is then multiplied by the unit cost (69.44 x $125,663). The federal and GF sharing ratio was applied.

The total estimate was derived by adding the recruitment-only allocation to the FFH program estimate ($8,725,498 + $877,764). Then, an additional $3,632,926 in federal spending authority, based on a three-year average of actual expenditures, was included. The recruitment-only amount is held at the FY 2005-06 funding level. The FFH portion of the *Gresher v. Anderson* premise ($27,000 total funds) is included in this premise.

FUNDING:

Based on actual expenditure data from Calendar Year 2007 the sharing ratio is 39.12 percent federal Title IV-E and 60.88 percent GF for FY 2009-10. Based on actual expenditure data from Calendar Year 2008, the sharing ratio for FY 2010-11 is 37.08 percent federal Title IV-E and 62.89 percent GF. Additional federal spending authority is included based on actual expenditures.

CHANGE FROM THE APPROPRIATION:

The change is due to updated caseload information.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects a caseload decline.

EXPENDITURES:

(in 000's)

	2009-10 County Admin.	2010-11 County Admin.
Total	$13,356	$13,263
Federal	7,462	7,248
State	5,894	6,015
County	0	0
Reimbursements	0	0

Family Child Care Homes – Basic Costs

DESCRIPTION:

This premise reflects the costs of providing basic funding to three counties for Family Child Care Home (FCCH) licensing services and processing serious incident reports. FCCH programs in the remaining 55 counties are licensed by the California Department of Social Services (CDSS) Community Care Licensing (CCL) District Offices. The California Community Care Facilities Act authorizes participating counties to provide FCCH licensing services. Also, FCCH licensees are required to report any injury to a child requiring medical treatment, the death of any child, or any unusual incident or child absence that threatens the physical or emotional health or safety of any child while the child is in the care of the licensee.

Effective Fiscal Year (FY) 2003-04, CDSS implemented a Targeted Visits protocol to streamline the annual review process of licensed care facilities to focus on facilities in which health and safety may be at greatest risk, or those facilities that require an annual visit as a condition of federal funding. A random sample (30 percent for FY 2009-10) of the remainder of the facilities is subject to annual unannounced visits. Current law requires that all facilities be visited at least once every five years and if the number of citations increases by ten percent over the prior year, the number of unannounced visits must also increase by ten percent.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1500 through 1519.
- The workload standard used to determine Full Time Equivalents (FTE) for targeted monitoring visits for FY 2009-10 and FY 2010-11 is 257 cases per worker.
- The worker to supervisor ratio used to determine FTEs is 6.25:1.
- The average statewide unit cost is held at the FY 2002-03 level of $117,885.
- Mendocino County transferred their licensing function back to CDSS CCL District Offices effective July 1, 2009.

METHODOLOGY:

FY 2009-10

The estimate was developed by determining the number of FTEs based on the FY 2009-10 projected caseload of 3,751. This caseload was divided by the workload standard of 257 cases per worker to determine the number of nonsupervisory FTEs (3,751 caseload ÷ 257). The FTEs were then expanded to include supervisors at a ratio of 6.25:1 to derive the total number of FTEs ([14.60 FTEs ÷ 6.25 supervisor ratio] + 14.60 FTEs = 16.89 FTEs). The average statewide unit cost was then multiplied by total FTEs.

The total estimate was derived by adding $80,000 General Fund (GF) for the Serious Incident Reporting. For FY 2009-10 the FCCH portion of the *Gresher v. Anderson* premise ($10,000 General Fund [GF]) is included in this premise.

Family Child Care Homes – Basic Costs

METHODOLOGY (CONTINUED):

FY 2010-11

The estimate was developed by determining the number of FTEs based on the FY 2010-11 projected caseload of 3,725. This caseload was divided by the workload standard of 257 cases per worker to determine the number of nonsupervisory FTEs (3,725 caseload ÷ 257). The FTEs were then expanded to include supervisors at a ratio of 6.25:1 to derive the total number of FTEs ([14.49 FTEs ÷ 6.25 supervisor ratio] + 14.49 FTEs = 16.81 FTEs). The average statewide unit cost was then multiplied by total FTEs.

The total estimate was derived by adding $80,000 GF for the Serious Incident Reporting. For FY 2010-11 the FCCH portion of the *Gresher v. Anderson* premise ($10,000 GF) is included in this premise.

FUNDING:

The funding includes reimbursements from the California Department of Education (from the federal Child Care Development Block Grant fund) to cover a portion of the costs of conducting comprehensive site visits. The remaining costs are funded 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects a caseload decline.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$2,082	$2,072
Federal	0	0
State	1,764	1,754
County	0	0
Reimbursements	318	318

Fee-Exempt Live Scan

DESCRIPTION:

This premise reflects the costs for fingerprinting and search requirements associated with certain fee-exempt providers pursuant to Senate Bill (SB) 933 (Chapter 311, Statutes of 1998). SB 933 also mandated that a second set of fingerprints be submitted in order to search the records of the Federal Bureau of Investigation (FBI). Assembly Bill (AB) 1659 (Chapter 881, Statutes of 1999) added certain categories of licensed fee-exempt providers for FBI background checks.

This premise also includes the reimbursement cost for processing applications referred by the California Department of Education (CDE) and licensed fee-exempt providers.

The Community Care Licensing Division (CCLD) is responsible for processing the applications pursuant to AB 753 (Chapter 843, Statutes of 1997). CCLD contracts with the Department of Justice (DOJ) and the California Child Care Resource and Referral Network to process the fingerprint and index search file activities. Additionally, CCLD contracts with Sylvan/Indentix, a private vendor, for the Live Scan fingerprinting. The Live Scan fingerprint process is an electronic technology that transfers images of fingerprints and personal information to DOJ in a matter of seconds.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1999.

KEY DATA ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 11324.

METHODOLOGY:

The funding is suspended for Fiscal Years 2009-10 and 2010-11.

FUNDING:

This premise is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Fee-Exempt Live Scan

EXPENDITURES:

(in 000's)	2009-10 Contracts	2010-11 Contracts
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Court Cases

DESCRIPTION:

This premise reflects the costs for attorney fees and settlements resulting from lawsuits pertaining to the California Department of Social Services (CDSS), Budget Item 151 – Social Service Programs, specifically, Child Welfare Services, Special Programs, and Community Care Licensing.

IMPLEMENTATION DATE:

The attorney fees and settlement costs for these court cases are anticipated to be paid in Fiscal Year (FY) 2009-10 and FY 2010-11.

KEY DATA/ASSUMPTIONS:

The estimate for settlement costs and attorney fees is based in part on actual payments for specific cases in the Current Year (CY), and a projection of costs that are anticipated to be paid in the CY and the Budget Year.

FUNDING:

The legal fees and settlement amounts are funded 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is based on updated actual information.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	County Admin.	County Admin.
Total	$1,500	$300
Federal	0	0
State	1,500	300
County	0	0
Reimbursements	0	0

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Special Programs – Other Specialized Services

DESCRIPTION:

This premise reflects the costs for the Foster Care Burial and Repatriated Americans Programs. Foster Care Burial costs are reimbursements by the state that are provided to foster parents for the costs of a burial plot and funeral expenses, up to $5,000 per burial, for a child receiving foster care at the time of death.

The Repatriated Americans Program provides temporary help to needy United States citizens returning from foreign countries because of destitution, physical or mental illness, or war.

KEY DATA/ASSUMPTIONS:

Foster Care Burial

Authorizing statute: Welfare and Institutions Code (W&IC) section 11212.

Repatriated Americans

Authorizing statute: W&IC sections 10553 and 10554.

METHODOLOGY:

Foster Care Burial

The estimated costs for the Current Year (CY) and the Budget Year (BY) are held at the Fiscal Year 1999-00 General Fund (GF) expenditure level of $186,000.

Repatriated Americans

The estimated costs for the CY and the BY are held at the Budget Act of 2000 Appropriation level of $75,000.

FUNDING:

The Foster Care Burial program is funded with 100 percent GF. The Repatriated Americans Program is funded with 100 percent federal funds through a special Department of Health and Human Services, U.S. Repatriate Program Direct Loan, which are provided to individuals on a repayable basis.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Special Programs – Other Specialized Services

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$261	$261
Federal	75	75
State	186	186
County	0	0
Reimbursements	0	0

Eligibility Extension of Dog Food Allowance

DESCRIPTION:

This premise reflects the costs associated with providing a monthly dog food allowance to recipients of federal Social Security Disability Insurance, Supplemental Security Income/State Supplementary Payments (SSI/SSP), and In-Home Supportive Services program participants who have incomes at or below the federal poverty level. Existing law provides that eligible individuals with guide, signal, or service dogs are eligible to receive a dog food allowance of $50 per month.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statutes: Welfare and Institutions Code sections 12553 and 12554.
- Recipients will receive a monthly dog food allowance of $50 per month.

METHODOLOGY:

The Current Year (CY) and Budget Year (BY) estimates are based on year-to-date actual costs and projected caseload growth.

FUNDING:

This program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The CY was held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	Grant	Grant
Total	$554	$554
Federal	0	0
State	554	554
County	0	0
Reimbursements	0	0

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Access Assistance/Deaf Program: Basic Costs

DESCRIPTION:

This premise reflects the costs associated with the Office of Deaf Access, Access Assistance/Deaf Program. Assembly Bill 2980 (Chapter 1193, Statutes of 1980) established the Access Assistance/Deaf Program in 1980. The Deaf Access Program serves approximately 2.9 million deaf and hearing-impaired Californians through regional contractors. Assistance under this program enables deaf and hearing-impaired persons to access needed social and community services, e.g. employment services, counseling, interpreting services, education on deafness and advocacy. Currently, eight regional contractors provide services to the hearing-impaired in all 58 counties.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10621.
- The program funding of $3,304,000 was augmented by $2,500,000 in Fiscal Year (FY) 1998-99 for program expansion.
- In FY 2009-10 and FY 2010-11, the program is funded with $2,996,000 in Title XX funds (for more detail, see the Title XX premise description).

METHODOLOGY:

The estimated costs for both the Current Year and the Budget Year are held at the FY 1998-99 Appropriation level.

FUNDING:

This program is funded with General Fund (GF). The Title XX block grant allocated to the program reduces the amount of GF in the program.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(In 000's)

	2009-10 Grant	2010-11 Grant
Total	$5,804	$5,804
Federal	0	0
State	5,804	5,804
County	0	0
Reimbursements	0	0

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Access Assistance/Deaf Program/Reduce Services by Ten Percent

DESCRIPTION:

This premise reflects savings from reducing the Office of Deaf Access, Access Assistance/Deaf Program costs by ten percent effective July 1, 2008.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

This premise reflects savings from reducing Fiscal Year (FY) 2009-10 and FY 2010-11 expenditures. For details regarding funding for this program, please see the Access Assistance/Deaf Program: Basic Cost premise description.

METHODOLOGY:

The estimated savings is ten percent of FY 2009-10 and the projected FY 2010-11 expenditures.

FUNDING:

The savings for this premise reflects a ten percent reduction to the General Fund and the Title XX block grant.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-2011 Grant
Total	-$581	-$581
Federal	-300	-300
State	-281	-281
County	0	0
Reimbursements	0	0

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Refugee Social Services

DESCRIPTION:

Refugee social services (RSS) are provided to refugees through county welfare departments and contracting agencies. The services are funded through an annual block grant allocation by the federal Office of Refugee Resettlement (ORR). The funds are used to provide employment-related services, such as employability assessment, on-the-job training, English language training, and vocational training.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13275-13282.
- The federal grant includes $10.4 million in standard funds.
- $2.2 million of this amount was distributed to qualifying refugees in San Diego County through the Wilson/Fish Alternative Project, which ended October 1, 2009.
- Total amount of available funds for the Wilson/Fish Alternative Project for Fiscal Year (FY) 2009-10 is approximately $539,000.
- Unspent administration funds from FY 2008-09 totaling $1.1 million will be added to FY 2009-10 grant to offset the loss of Wilson/Fish Alternative Project.
- A contract for $4.85 million in FY 2009-10 and $5.74 million in FY 2010-11 to serve unaccompanied refugee minors (URM) is included in the total funding.

METHODOLOGY:

The funding is based on the sum of the standard federal grant award for Refugee Social Services, unspent administration funds from FY 2008-09, and the URM contract less the discontinued Wilson/Fish grant.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM THE APPROPRIATION:

The FY 2009-10 total grant is decreased from the Appropriation because of the loss of the Wilson/Fish Alternative Project for three quarters of Current Year.

REASON FOR YEAR-TO-YEAR CHANGE:

The change in Budget Year reflects a decrease due to the end of the Wilson/Fish Alternative Project, despite an increase in the Southern California URM program's contract.

Refugee Social Services

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$14,782	$13,988
Federal	14,782	13,988
State	0	0
County	0	0
Reimbursements	0	0

Refugee Programs – Targeted Assistance

DESCRIPTION:

This program provides services to refugees to enable them to be placed in employment or to receive employment training. The goal of this program is to assist refugees in attaining self-sufficiency. Targeted Assistance (TA) grants are made available to high refugee-impacted counties. Program components include employment services, work experience, vocational training, vocational English-as-a-second-language, on-the-job training, economic development, skills upgrading, and extreme and unusual needs. In addition to regular TA funds, the federal government can award TA discretionary funds to the State for specific local projects. Local agencies develop project proposals in response to a federal announcement. The federal government selects the projects to be funded.

IMPLEMENTATION DATE:

This premise was implemented on October 1, 1983.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13275-13282.
- The Targeted Assistance program was granted $4.96 million for Fiscal Year (FY) 2009-10. It is assumed that it will also be granted for FY 2010-11.
- The FY 2009-10 and FY 2010-11 allocations also include $263,125 in discretionary funding to serve elderly refugees.

METHODOLOGY:

The funding is the sum of federal grants for the Targeted Assistance program and discretionary funding to serve elderly refugees.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM THE APPROPRIATION:

The change reflects an increase in the Targeted Assistance grant for the Current Year.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$5,227	$5,227
Federal	5,227	5,227
State	0	0
County	0	0
Reimbursements	0	0

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Refugee School Impact Grant

DESCRIPTION:

This premise reflects the federal funding granted to the California Department of Social Services (CDSS) by the Office of Refugee Resettlement (ORR) to provide services to school-age refugee children and their families. The funding for this grant provides a pass-through from the CDSS to the California Department of Education (CDE). Services provided through local educational agencies include intensive and innovative educational interventions to assist refugee children with improving English fluency and progressing toward grade-level proficiency.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Code of Federal Regulations, Title 45, Part 92.
- A federal grant provides $1,700,000 per year to serve school-age refugee children and their families. This is the third year of a five-year project period that began in August 2006.
- A Memorandum of Understanding between CDE and CDSS outlines the working relationship between the two departments and assigns responsibilities to each regarding the implementation of the grant.
- The services funded under this grant are for the following counties: Alameda, Fresno, Los Angeles, Orange, Sacramento, San Diego, San Francisco, and Santa Clara.
- CDSS may request a carryover of unused grant money from a previous year to be added to its grant for the next year.
- $245,509 in unspent funds from Fiscal Year (FY) 2007-08 grant were added to the Current Year (CY) grant.

METHODOLOGY:

The funding is based on a federal award, adjusted for carryover of unused funds.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM THE APPROPRIATION:

The CY change reflects a decrease of $52,943 due to updated information on the amount carried forward from FY 2007-08 to FY 2009-10.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in Budget Year reflects the flat grant amount with no funds carried forward from a previous year.

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$1,946	$1,700
Federal	1,946	1,700
State	0	0
County	0	0
Reimbursements	0	0

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Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

DESCRIPTION:

On March 31, 2006, the federal Department of Health and Human Services (DHHS) approved the Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project (CAP). The approved waiver allows Title IV-E funds, which are restricted to board and care costs and child welfare services administration, to be used for services and supports to avoid over reliance on out-of-home care and reunify families more expeditiously. The intent of the CAP is to test a "capped allocation" strategy which would block grant a portion of the federal Title IV-E and General Fund (GF) administrative and assistance costs. The California Department of Social Services (CDSS) worked with the County Welfare Directors Association (CWDA) and interested counties to refine a practice and fiscal model that could be implemented under the waiver. The CAP allows up to 20 counties to participate in the five year demonstration project.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Two counties, Los Angeles and Alameda, are participating in the project.
- An annual capped allocation for federal Title IV-E and GF has been established.
- Participating counties are required to provide funding equal to their Fiscal Year (FY) 2005-06 actual expenditures.

METHODOLOGY:

- The federal base allocations are based on the county's average Title IV-E actual expenditure claims for administration and assistance submitted for Federal Fiscal Years (FFY) 2003, 2004, and 2005. An annual two percent growth on the federal funds for administration and assistance is provided beginning in FFY 2006.
- The GF base allocation for Foster Care (FC) Assistance is capped based on actual expenditures for FY 2005-06.
- The GF base allocations for Child Welfare Services (CWS) and FC Administration are based on specified FY 2006-07 allocations. An annual two percent growth above the base allocations is provided beginning in FY 2007-08.
- After the GF base allocations for FC Assistance and CWS Administration are calculated, federal Title XX funds transferred from the Temporary Assistance for Needy Families block grant are used in lieu of eligible GF.
- All base allocations for FC Assistance, FC Administration, and CWS Administration are reflected separately in Budget Item 153 with total growth above the base amounts reflected in the IV-E Waiver Adjustment line.

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

METHODOLOGY (CONTINUED):

- Additional GF is provided above the base for either new premises or premises not included in the base calculations that do not impact caseload and is reflected separately in the Non-Base Premises lines for FC Assistance, FC Administration, and CWS Administration.
- For FC Assistance, the Non-Base Premises 101 line for FY 2009-10 and FY 2010-11 reflects costs for Dual Agency, the Five Percent Foster Care Rate Increase, the Supplement to the Dual Agency Rate, and Educational Stability.
- For FC Administration, the Non-Base Premises 141 line for FY 2009-10 and FY 2010-11 reflects costs for FC Supplemental Security Income/State Supplementary Payment (SSI/SSP) Application.
- For CWS Administration, the Non-Base Premises line for FY 2009-10 and FY 2010-11 reflects costs for *Gomez v. Saenz*; State Family Preservation; Dual Agency Supplement to the Rate; Criminal Record Check for FR; Caregiver Court Filing; Peer Quality Case Reviews; CWS Differential Response, Safety Assessment, and Permanency & Youth Services; CWS Outcome Improvement Project; FC SSI/SSP Application; Safe and Timely Interstate Placement Act of 2006; Personalized Transition Plan; Increase Funding for Caseworker Visits; Chafee Federal National Youth in Transition Database; Increase Family Case Planning; Notification of Relatives (HR 6893); and Increase Relative Search and Engagement.
- The methodology for the Foster Care 101 – Ten Percent Reduction GH and FFA is located in the Ten Percent Reduction GH, FFA, and SED premise description.
- The methodology for the CWS 151 – CWS Reduction is located in the CWS Reduction premise description.
- The methodology for the Redirecting County Savings FC 101 and CWS 151 is located in the Redirecting County Savings premise description.

FUNDING:

Funding consists of the federal Title IV-E and GF capped allocations along with the required county funding. The FC Assistance base allocation consists of $16.8 million in Title XX funds that are used in lieu of GF. The CWS base allocation consists of $24.2 million in Title XX funds that are used in lieu of GF.

Title IV-E Federal Medical Assistance Percentage (FMAP) rate will temporarily increase by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase may be extended until June 30, 2011. The extension of the American Recovery and Reinvestment Act (ARRA) of 2009 must be approved by the federal government. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

CHANGE FROM THE APPROPRIATION:

The Current Year GF increased costs are a result of changes to the Foster Care 101 Non-Base premises Supplement to the Rate and Educational Stability premises. This increase is offset by a decrease in the CWS 151 Non-Base premises due to not implementing the Foster Youth Identify Theft premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The IV-E Waiver Adjustment reflects four years of the two percent growth. The increase in FC 101 Non-Base premises is a result of a full year impact of the Educational Stability premise. The decrease costs in the CWS 151 Non-Base Premises are a result of decreasing caseloads. The FC 101-Ten Percent Reduction GH and FFA reflects a full year of savings. Redirecting County Savings is a new premise. The ARRA-FMAP Increase reflects a full-year impact.

EXPENDITURES:

(in 000's):

Item 153 Title IV-E Waiver	2009-10 Services/Admin And Grants	2010-11 Services/Admin And Grants
Total	$1,165,889	$1,172,455
Federal	503,274	501,317
State	299,077	204,999
County	363,538	466,139
Reimbursements	0	0

Item 153 IV-E Waiver Adjustment	2009-10 Services/Admin And Grants	2010-11 Services/Admin And Grants
Total	$ 50,891	$63,651
Federal	39,552	48,360
State	11,339	15,291
County	0	0
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):
(in 000's):

	2009-10	2010-11
Item 153	Grants	Grants
Foster Care 101 - Base		
Total	$ 505,933	$ 505,933
Federal	177,536	177,536
State	121,805	121,805
County	206,592	206,592
Reimbursements	0	0

	2009-10	2010-11
Item 153	Admin.	Admin.
Foster Care 141 - Base		
Total	$ 38,061	$ 38,061
Federal	19,845	19,845
State	12,432	12,432
County	5,784	5,784
Reimbursements	0	0

	2009-10	2010-11
Item 153	Services/Admin.	Services/Admin.
CWS 151 - Base		
Total	$ 557,438	$ 557,438
Federal	244,484	244,484
State	148,678	148,678
County	164,276	164,276
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):
(in 000's):

	2009-10	2010-11
Item 153	Grants	Grants
Foster Care 101 – Non-Base Premises		
Total	$ 7,115	$ 8,299
Federal	0	0
State	7,115	8,299
County	0	0
Reimbursements	0	0

	2009-10	2010-11
Item 153	Admin.	Admin.
Foster Care 141 – Non-Base Premises		
Total	$ 54	$ 54
Federal	0	0
State	54	54
County	0	0
Reimbursements	0	0

	2009-10	2010-11
Item 153	Admin.	Admin.
CWS 151 – Non-Base Premises		
Total	$33,452	$33,215
Federal	0	0
State	33,452	$33,215
County	0	0
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):
(in 000's):

	2009-10	2010-11
Item 153	Grants	Grants
FC 101 – Ten Percent reduction GH, FFA, SCA, and SCI.		
Total	-$7,980	-$10,640
Federal	0	0
State	-7,980	-10,640
County	0	0
Reimbursements	0	0

	2009-10	2010-11
Item 153	Admin	Admin
CWS 151 – CWS Reduction		
Total	-$19,075	-$19,075
Federal	0	0
State	-19,075	-19,075
County	0	0
Reimbursements	0	0

	2009-10	2010-11
Item 153	Grants	Grants
Redirecting County Savings (FC 101)		
Total	$ 0	$ 0
Federal	0	0
State	0	-37,060
County	0	37,060
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):
(in 000's):

	2009-10	2010-11
Item 153	Grants	Grants
Redirecting County Savings (CWS 151)		
Total	$ 0	$ 0
Federal	0	0
State	0	-59,082
County	0	59,082
Reimbursements	0	0

	2009-10	2010-11
Item 153	Grants	Grants
Federal Stimulus Package FMAP increase (FC 101)		
Total	$ 0	$0
Federal	21,857	22,294
State	-8,743	-8,918
County	-13,114	-13,376
Reimbursements	0	0

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Other Departments' TANF MOE Eligible Expenditures Community Colleges – Expansion of Services to TANF Eligibles

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) expenditures made by the California Community Colleges (CCC) for the purpose of assisting students who are California Work Opportunity and Responsibility to Kids (CalWORKs) program recipients, including those transitioning from CalWORKs, to achieve long-term self-sufficiency through coordinated student services offered at community colleges.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the Temporary Assistance for Needy Families (TANF) program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2009-10, an adjustment has been made to reflect that California is not expected to meet the federal work participation rate (WPR) for the CalWORKs program in Federal Fiscal Year (FFY) 2008. When the state fails to meet the WPR, the MOE level increases from 75 percent to 80 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.8 billion in FY 2009-10 and FY 2010-11.

The state may count both local and state expenditures made by California Department of Social Services (CDSS) and other departments on behalf of TANF/CalWORKs eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, Job Opportunities and Basic Skills (JOBS), Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, all otherwise countable expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

Services provided by CCC include work-study, other educational-related work experience, job placement services, child care services, and coordination with county welfare offices to determine eligibility and availability of services. Current CalWORKs recipients may utilize these services until their educational objectives are met, but for no longer than two years. Based on these expenditure requirements, these funds would meet the federal requirements for counting toward TANF MOE.

IMPLEMENTATION DATE:

This premise implemented July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.
- It is assumed the eligible MOE expenditures will be $20.6 million in FY 2009-10 and in FY 2010-11.
- These funds are required to be expended for educational-related services for CalWORKs program eligible recipients only.

Other Departments' TANF MOE Eligible Expenditures Community Colleges – Expansion of Services to TANF Eligibles

METHODOLOGY:

For FY 2009-10 and FY 2010-11, the estimate reflects the anticipated MOE-eligible expenditures.

FUNDING:

This program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$20,581	$20,581
Federal	0	0
State	20,581	20,581
County	0	0
Reimbursements	0	0

Other Departments' TANF MOE Eligible Expenditures CDE Child Care Programs

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) expenditures made by the California Department of Education (CDE) for child care programs that provide services for the California Work Opportunity and Responsibility to Kids (CalWORKs)/Temporary Assistance for Needy Families (TANF) program. This premise also reflects expenditures for those who are income eligible but not participating in CalWORKs/TANF.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2009-10, an adjustment has been made to reflect that California is not expected to meet the federal work participation rate (WPR) for the CalWORKs program in Federal Fiscal Year (FFY) 2008. When the state fails to meet this rate, the MOE level increases to 80 percent from 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.8 billion in FY 2009-10 and FY 2010-11.

The state may count both local and state expenditures made by the California Department of Social Services (CDSS) and other departments on behalf of TANF/CalWORKs-eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, JOBS, Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, all otherwise countable expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

Before the implementation of federal welfare reform, California received federal funding for child care through Title IV-A of the Social Security Act and the Child Care and Development Block Grant (CCDBG). Title IV-A funds were used to provide child care for families on welfare, transitioning off welfare, and those at risk of going on welfare. CCDBG funds were used to provide child care for the working poor. As a part of federal welfare reform under P.L. 104-193, these two federal child care funding streams were merged into the new Child Care and Development Fund (CCDF). In order for states to receive a portion of the CCDF, they are required to spend a level of funding equal to their FFY 1994 nonfederal share of child care expenditures under the old Title IV-A program ($85.6 million in California). Federal regulations allow state expenditures for child care to satisfy both the CCDF MOE and TANF program MOE, provided that these expenditures meet the MOE requirements for both grants. In addition, if a state has additional child care expenditures that have not been used toward meeting the CCDF MOE requirement or to receive federal matching funds, these expenditures may count toward the state's TANF MOE, provided that the benefiting families meet the state's definition for TANF eligibility. All other TANF MOE requirements and limitations, as set forth in federal regulations, must also be met.

Other Departments' TANF MOE Eligible Expenditures CDE Child Care Programs

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.3.
- Based on estimated General Fund (GF) expenditures for CalWORKs recipients and CalWORKs eligible families in CDE child care programs, it is assumed that eligible MOE expenditures totaling $636 million will be counted towards the state's base TANF MOE requirement in FY 2009-10 and $595 million in FY 2010-11.
- Federal regulations allow state expenditures for child care to satisfy both the CCDF MOE and the TANF MOE, provided that these expenditures meet the MOE requirements for both grants.
- All TANF/CalWORKs-eligible families meet CCDF eligibility requirements and would, therefore, meet both the CCDF and TANF MOE expenditure requirements.
- The total "double-countable" expenditures cannot exceed the MOE level for the CCDF ($85.6 million).

METHODOLOGY:

For FY 2009-10 and FY 2010-11, the estimate reflects the anticipated amount of MOE-eligible expenditures to be counted towards the base MOE requirement.

FUNDING:

This program is funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The CY amount reflects revised expectations for MOE-eligible expenditures and includes the impact of the child care rate reductions.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects the impact of the child care rate reductions.

EXPENDITURES:

(in 000's)

	2009-10	2010-11
	Grant	Grant
Total	$635,476	$594,733
Federal	0	0
State	635,476	594,733
County	0	0
Reimbursements	0	0

Other Departments' TANF MOE Eligible Expenditures State Disregard Payment to Families

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) expenditures made by the Department of Child Support Services (DCSS) for the $50 State Disregard Payment to Families for current recipients of benefits under the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the Temporary Assistance for Needy Families (TANF) program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2009-10, an adjustment has been made to reflect that California is not expected to meet the federal work participation rate (WPR) for the CalWORKs program in Federal Fiscal Year (FFY) 2008. When the state fails to meet this rate, the Maintenance of Effort (MOE) level increases from 75 percent to 80 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.8 billion in FY 2009-10 and FY 2010-11.

The state may count both local and state expenditures made by the California Department of Social Services (CDSS) and other departments on behalf of TANF/CalWORKs-eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, JOBS, Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care or Transitional Child Care programs in FFY 1995, then the expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, then countable current year expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

In addition to the CalWORKs grant, custodial parents also receive the first $50 of the current month's child support payment collected from the noncustodial parent. Forwarding the disregard portion of the collection to the family instead of retaining it to reduce the state's cost of the CalWORKs grant results in cost increases (lost collection revenues).

In 1996, the federal government discontinued federal financial participation (FFP) in the disregard payment to the family (P.L. 104-193). With the passage of the federal Deficit Reduction Act (DRA) (P. L. 109-171), FFP has been reinstated as of October 1, 2008. In California, the FFP ratio is 50 percent federal, 50 percent state. In addition, the DRA changed the amount that states may disregard and pass through to families. Effective October 1, 2008, states may disregard up to $100 per month for one child, and up to $200 for families with two or more children, in child support payments collected on behalf of a TANF or foster care family.

This premise reflects the cost for the state to fund 50 percent of the $50 disregard payment to the custodial parent.

Other Departments' TANF MOE Eligible Expenditures State Disregard Payment to Families

IMPLEMENTATION DATE:

This program was originally implemented in FY 1984-85.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11475.3 and Family Code section 17504.
- It is assumed the eligible MOE expenditures claimed by DCSS will be $12 million in FY 2009-10 and in FY 2010-11. The estimate is based on projected expenditures from DCSS.
- The child support payment data are based on the counties' monthly CS 35 Reports and the Child Support Services Supplement to the CS 34 Monthly Report of Collections and Distributions.
- The $50 disregard share of cost will be split 50/50 between the state and the federal government.

METHODOLOGY:

The cost of the disregard is reported monthly on the CS 35 Report. The disregard is paid when the child support collection is distributed.

FUNDING:

For the purpose of counting program expenditures toward the MOE, this program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$11,987	$11,987
Federal	0	0
State	11,987	11,987
County	0	0
Reimbursements	0	0

Other Departments' TANF MOE Eligible Expenditures After School

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) associated with expenditures made by the California Department of Education (CDE) for students attending After School programs as made available by the CDE. It is assumed that state expenditures for After School programs are countable toward the Temporary Assistance for Needy Families (TANF) MOE requirement under Purpose Three of TANF.

The After School Education and Safety (ASES) program is the result of the 2002 voter approved initiative, Proposition 49. The ASES program funds the establishment of local after school education and enrichment programs. These programs are created through partnerships between schools and local community resources to provide literacy, academic enrichment, and safe, constructive alternatives for students in kindergarten through ninth grade. Funding is designed to: 1) maintain existing before- and after-school program funding, and 2) provide eligibility to all elementary and middle schools throughout California that submit quality applications.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2009-10, an adjustment has been made to reflect that California is not expected to meet the federal work participation rate (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program in Federal Fiscal Year (FFY) 2008. When the state fails to meet this rate, the MOE level increases to 80 percent from 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.8 billion FY 2009-10 and in FY 2010-11.

The state may count both local and state expenditures made by California Department of Social Services (CDSS) and other departments on behalf of TANF/ CalWORKs eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, Job Opportunities and Basic Skills (JOBS), Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, then the expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable Current Year (CY) expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

IMPLEMENTATION DATE:

This premise implemented July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.
- All MOE eligible General Fund (GF) expenditures spent on After School programs will be counted towards the MOE requirement in the year it is spent.
- Due to the timing of receipt of expenditure data from CDE, it is assumed there will be no countable MOE expenditures in FY 2009-10 and FY 2010-11.

Other Departments' TANF MOE Eligible Expenditures After School

METHODOLOGY:

This estimate reflects that there will be no anticipated MOE-eligible expenditures for FY 2009-10 and FY 2010-11 that will be counted towards the base TANF MOE requirement for After School programs.

FUNDING:

This program is funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

Due to the timing of receipt of expenditure data from CDE, it is assumed there will be no countable MOE expenditures in FY 2009-10 and FY 2010-11.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Expenditures:

(in 000's)

	2009-10	2010-11
	Grant	Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

General Fund Maintenance of Effort Work Participation Rate Adjustment

DESCRIPTION:

This premise reflects adjustments made on the California Department of Social Services' (CDSS) federal reports for prior Federal Fiscal Years (FFYs) that reduce the state's maintenance of effort (MOE) requirement from 80 percent of the base year expenditures to 75 percent. These adjustments are the result of meeting the federal work participation rates (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

CDSS assumes an 80 percent MOE requirement until notified by the federal government that the state has met the federal work participation rates. This typically occurs after the end of the FFY. After notification by the federal government, CDSS files an amended federal report for that past FFY to reflect the lower MOE expenditure level of 75 percent. California is not expected to meet the WPR for FFY 2008; therefore, the state will have to meet the 80 percent MOE requirement in FY 2009-10.

IMPLEMENTATION DATE:

The WPR adjustment is not made until after the federal government has notified the state that it has met the rate for the FFY. This does not occur until after the end of the FFY for which the adjustment is being made.

METHODOLOGY:

California is not expected to meet the WPR in FFY2008; therefore the state will have to meet the 80 percent MOE requirement in FY 2009-10.

FUNDING:

The funding is 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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Total TANF Reserve

DESCRIPTION:

This premise reflects the Temporary Assistance for Needy Families (TANF) funds that are held in reserve to meet unanticipated pressures in the California Work Opportunity and Responsibility to Kids (CalWORKs) program. Expenditures as determined by the California Department of Social Services (CDSS) are subject to Legislative notification and approval by the California Health and Human Services Agency and the Department of Finance.

IMPLEMENTATION DATE:

This premise implemented July 1, 2000.

KEY DATA/ASSUMPTIONS:

- The reserve was originally established by the Budget Act of 2000.
- The Total TANF Reserve funds are used to meet unforeseen program needs in the CalWORKs program.

METHODOLOGY:

The reserve has been eliminated to zero due to existing budget pressures.

FUNDING:

This premise is funded with 100 percent federal TANF funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

RESERVE:

(in 000's)	2009-10	2010-11
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds Basic Assistance – Caseload Increases

DESCRIPTION:

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

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

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

This premise includes ECF for basic assistance costs only. This premise assumes that ARRA funds will be extended through Fiscal Year (FY) 2010-11 (which includes the first three quarters of FFY 2011). ARRA funds are currently authorized though FFY 2010 or September 30, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Section 403 (c) of the Social Security Act.
- This premise assumes that ARRA funds will be extended through Fiscal Year (FY) 2010-11 (which includes the first three quarters of FFY 2011). ARRA funds are currently authorized though FFY 2010 or September 30, 2010.
- This premise includes ECF funds for increased basic assistance costs only. A separate premise item is included for subsidized employment. CDSS is continuing to work with the counties and the County Welfare Directors Association (CWDA) to determine the amount of ECF funds the state may be eligible to receive for non-recurring short term benefits.
- California will use FFY 2007 as the base year for basic assistance ECF.
- Base Year expenditures reflect actual quarterly expenditures as submitted on the Administration for Children and Families Form 196 (ACF 196) for FFY 2007.

American Recovery and Reinvestment Act of 2009
Emergency Contingency Funds
Basic Assistance – Caseload Increases

KEY DATA/ASSUMPTIONS (CONTINUED):

- Expenditures reflect actual quarterly expenditures as submitted on the ACF 196 for FFY 2009. The remaining quarters are projections and are consistent with the caseload used in the development of the state budget.
- Expenditures include grant assistance payments allowed under the federal TANF program as well as other basic assistance payments reported on the ACF 196 and claimed as state Maintenance of Effort (MOE). Other basic assistance payments include Department of Child and Support Services disregard payments, Cal Learn payments, California Food Assistance Program, Kinship Guardianship Assistance Payment, State Supplemental Payment (SSP) MOE, and Tribal TANF MOE.
- One hundred percent of the basic assistance ECF funds received in FFY 2009 and FFY 2010 will be used to offset General Fund (GF) dollars, above the base TANF MOE requirement, that otherwise would have been used to fund the California Work Opportunity and Responsibility to Kids (CalWORKs) program.
- As authorized by the federal Office of Management and Budget (OMB), a portion of the funding received under ARRA will be used to provide support for the California Recovery Task Force (CRTF) and for the ARRA oversight and administrative activities of the various departments administering those funds. Pursuant to Executive Order S-02-09, CRTF is charged with tracking the ARRA funding coming into the state; helping cities, counties, non-profits, and others access the available funding; ensuring that the funding provided to the state is spent efficiently and effectively; and maintaining a Web site that is frequently and thoroughly updated so Californians can track the stimulus dollars. The mechanism for accessing these federal funds and for allocating them to the CRTF and state entities administering ARRA funds is under development and is not available to include in this estimate. Consequently, a future Section 28.00 request may be submitted in the coming months to properly increase the department's federal funds reimbursement authority to fund the cost of accountability and related administrative and transparency activities.

METHODOLOGY:

(in 000's)

	July - Sept	Oct - Dec	Jan - Mar	Apr - June	Total ECF
Base Expenditures	770,716,127	778,801,873	773,815,252	772,309,332	
FY 2009-10 Projections	872,010,968	883,379,228	904,710,089	924,723,252	
Difference	101,294,841	104,577,355	130,894,837	152,413,920	
80% ECF	81,035,873	83,661,884	104,715,870	121,931,136	$ 391,344,762

American Recovery and Reinvestment Act of 2009
Emergency Contingency Funds
Basic Assistance – Caseload Increases

METHODOLOGY (CONTINUED):

(in 000's)

	July - Sept	Oct - Dec	Jan - Mar	Apr - June	Total ECF
Base Expenditures	770,716,127	778,801,873	773,815,252	772,309,332	
FY 2010-11 Projections	787,294,997	812,927,460	841,734,745	867,437,140	
Difference	16,578,870	34,125,587	67,919,493	95,127,808	
80% ECF	13,263,096	27,300,470	54,335,594	76,102,246	$ 171,001,406

FUNDING:

This premise is funded with 100 percent ECF funds.

CHANGE FROM THE APPROPRIATION:

The decrease in the CY is due to lower caseload projections than used in the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the BY reflects the net effect of the ARRA extension and the CalWORKs and California Food Assistance Program budget reductions.

EXPENDITURES:

(in 000's)

	2009-10 Grant	2010-11 Grant
Total	$391,345	$171,001
Federal	391,345	171,001
State	0	0
County	0	0
Reimbursements	0	0

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