

California Department of Social Services (CDSS)
Local Assistance Estimates
2013 May Revision
 Budget Summary
 New and Significantly Changed Premises

General Fund (GF) in Millions

| | 2013-14 Governor's Budget (GB) | | 2013 May Revision | | Change from Governor's Budget | | | |
|--|---|-------------------|------------------------------|-------------------|--|-------------------|---|--|
| Issue | Fiscal Year (FY) 2012-13 | FY 2013-14 | FY 2012-13 | FY 2013-14 | FY 2012-13 | FY 2013-14 | Reason for Change from GB | People/Consumer Impacts |
| CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs) PROGRAM | | | | | | | | |
| Includes Temporary Assistance to Needy Families (TANF) and GF | | | | | | | | |
| 24-Month Early Engagement Redesign - New Premise: Requires additional funding to redesign activities and services within the 24-months of Welfare-to-Work (WTW). The CDSS, in collaboration with stakeholders, has identified critical changes to the CalWORKs WTW process necessary to successfully implement the program. The Early Engagement Redesign includes the following components: a more robust upfront appraisal leading to more effective placement in work activities and referral to supportive services; development of family stabilization plans to remove barriers to self-sufficiency (such as housing insecurities) and improve child well being; and enhanced subsidized employment opportunities. | \$0.0 | \$0.0 | \$0.0 | \$48.3 | \$0.0 | \$48.3 | This is a new premise. | This premise will provide a more robust appraisal to all new work-eligible entrants, provide family stabilization plans and services as needed to remove barriers to successful participation in WTW, and will provide additional subsidized employment opportunities to WTW participants. |
| CalWORKs Non-Maintenance of Effort (MOE) - Significantly Changed: This premise shifts funds for CalWORKs cases with an unaided but work-eligible adult (including Safety Net (SN) cases and cases in which the parent is a drug or fleeing felon) from GF counted toward the TANF MOE requirement to non-MOE GF. These CalWORKs cases will be removed from the TANF Work Participation Rate (WPR) calculation. | -\$93.1 | -\$372.4 | \$0.0 | -\$446.6 | \$93.1 | -\$74.2 | Implementation was delayed from April 2013 to July 2013 to allow for development of aid codes. The 2013 May Revision expands the funding shift to include SN cases that do meet WPR requirements and CalWORKs child care and services costs associated with the non-MOE GF caseload. In addition, the estimated felon caseload increased from approximately 5,000 in the GB to approximately 10,000 in the 2013 May Revision due to updated data. | This premise shifts funding from MOE GF to non-MOE GF; there is no impact on recipients. |
| CALFRESH PROGRAM | | | | | | | | |
| Includes impacts to the California Food Assistance Program, if applicable. | | | | | | | | |
| Work Incentive Nutritional Supplement (WINS) - Significantly Changed: This premise will provide a \$10 supplemental CalFresh benefit to eligible households that do not receive CalWORKs, if household members work sufficient hours in paid employment to meet TANF work participation requirements. The benefit will be funded with state dollars countable toward MOE in the TANF program, and families that receive the WINS benefit will be counted in the TANF WPR. | \$0.0 | \$7.6 | \$0.0 | \$6.7 | \$0.0 | -\$0.9 | The FY 2013-14 reflects an additional five minutes of administrative time to collect required federal reporting data from WINS participants and an updated eligibility estimate. | The WINS is anticipated to implement within the statutory window, which runs from January 1, 2014 to July 1, 2014. An estimated 146,600 CalFresh cases will be impacted as of July 2014. |

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| Annual Reporting/Child-Only (AR/CO) and Semiannual Reporting (SAR) - Significantly Changed: The AR/CO premise implemented October 1, 2012, for approximately 235,000 CalFresh cases. The GB assumes that CalFresh cases with an associated AR/CO CalWORKs case are subject to CalFresh Change Reporting (CR) rules. The SAR is scheduled to implement October 1, 2013, for CalWORKs (except child-only cases) and for most CalFresh cases. | \$3.5 | \$4.7 | \$3.4 | \$2.2 | -\$0.1 | -\$2.5 | Effective October 1, 2013, CalFresh cases with an associated AR/CO CalWORKs case will be subject to SAR instead of CR. There is no premise impact in FY 2012-13; the decrease is due to an unrelated decrease in caseload. In FY 2013-14, there is a decrease in costs for fewer cases submitting reports of changes to income. Although all AR/CO cases will be required to report one additional time per year, that report requires less time to process than the redetermination that was required under AR/CO for change reporters with earned income. | An estimated 235,000 AR/CO cases will be converted to SAR effective October 1, 2013. These cases will be required to complete an additional SAR report after the conversion, for a total of two reports per year. Approximately 62,000 AR/CO cases with earned income were required to have two redeterminations a year under CR and will now only have one redetermination and one SAR report. Approximately 29,000 cases would have had to submit a change report each month under CR but will not have to under SAR. |
| School Lunch Program (AB 402) - Significantly Changed: This premise allows local school districts or county offices of education to partner with local county CalFresh offices to identify households that qualify for free or reduced-price school meals and may also qualify for CalFresh benefits. With applicants' authorization, information in School Lunch Program applications will be shared with local CalFresh county offices to use in determining eligibility. | \$1.5 | \$1.9 | \$0.0 | \$2.4 | -\$1.5 | \$0.5 | Implementation was delayed to July 2013 from November 2012. The increase in FY 2013-14 is primarily due to an updated assumption that a greater share of eligible households will participate in the program. | There will be 18,856 new cases coming onto CalFresh in July 2013 as a result of the School Lunch Program. |
| Transitional CalFresh for Foster Youths (AB 719) - Significantly Changed: The 2013-14 GB assumed the Transitional CalFresh for Foster Youth demonstration project would implement in January 2013. Implementation is contingent on federal approval and CDSS' demonstration of cost neutrality for this premise. | \$0.2 | \$0.9 | \$0.0 | \$0.0 | -\$0.2 | -\$0.9 | Funding will be removed from this premise until CDSS is able to resolve the cost neutrality issue and obtain approval from Food and Nutrition Services. | It is estimated that 100 new cases that will not receive services through the foster care system under AB 12 would come on to CalFresh per month if this premise were implemented. If AB 719 were implemented, these cases would be a savings to AB 12. |

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| CalFresh ReFresh Modernization - Significantly Changed: This premise reflects the implementation of several CalFresh ReFresh Modernization proposals, including waiving face-to-face interviews at recertification for elderly or disabled households, implementing face-to-face interviews at intake statewide and automation costs associated with emailing notifications to CalFresh households. The 2013-14 GB reflects automation costs beginning in FY 2013-14. | -\$0.2 | \$0.3 | -\$0.1 | \$0.6 | \$0.1 | \$0.3 | Implementation of the face-to-face waiver for the elderly and disabled was delayed to April 2013 from January 2013. The FY 2013-14 reflects updated estimates of automation costs. | The face-to-face waiver for elderly will impact approximately 50,000 cases in FY 2012-13 and 57,000 cases in FY 2013-14. |
| CALWORKS/CALFRESH AUTOMATION PROJECTS | | | | | | | | |
| Includes State GF and TANF, if applicable. | | | | | | | | |
| Statewide Automated Welfare System (SAWS)/California Healthcare Eligibility, Enrollment and Retention System (CalHEERS) Interface Development - Significantly Changed: This premise reflects costs for SAWS modifications to establish necessary interfaces between CalHEERS and SAWS for implementation of the Patient Protection and Affordable Care Act (ACA). | \$0.4 | \$0.3 | \$0.1 | \$0.9 | -\$0.3 | \$0.7 | The FY 2013-14 reflects updated estimates of automation costs. | These changes are critical to providing customer service in implementing the ACA. |
| SAWS Customer Service Centers (CSCs) - New Premise: This premise reflects costs for expanding consortia/county CSCs to provide increased services for Medi-Cal eligibility and enrollment to fulfill ACA requirements. These expansions will leverage current county call center infrastructures to interface with Covered California/CalHEERS centralized CSCs. | \$0.0 | \$0.0 | \$0.5 | \$5.2 | \$0.5 | \$5.2 | This is a new premise. | These changes are critical to providing customer service in implementing the ACA. |
| Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Replacement System (LRS) - Significantly Changed: The LEADER is one of three consortia within the SAWS Project and is comprised solely of Los Angeles County. The LRS project currently includes planning and procurement activities for a system to replace LEADER. | \$24.6 | \$39.6 | \$4.4 | \$9.3 | -\$20.2 | -\$30.3 | The GF shares for FY 2012-13 and FY 2013-14 were updated to reflect approval of a 90 percent federal/10 percent GF match for design, development and implementation work in Medi-Cal technology investments, including eligibility systems, and new federal guidance that provides cost allocation relief for other systems that use functionality developed for Medi-Cal. | There is no impact on recipients. |

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| Welfare Client Data System CalWORKs Information Network (CalWIN) - Significantly Changed: This premise reflects costs for one of the three SAWS Consortia. The CalWIN is managed by 18 counties. | \$40.9 | \$43.6 | \$40.9 | \$43.9 | \$0.0 | \$0.3 | The increase in FY 2013-14 funding reflects CalWIN caseload growth, including Healthy Families Program workload, and online system maintenance and operations costs. | There is no impact on recipients. |
| CHILDREN'S PROGRAMS | | | | | | | | |
| Kinship Guardianship Assistance Payment (Kin-GAP) Program - Significantly Changed: This premise reflects the costs associated with the Kin-GAP program, the purpose of which is to enhance family preservation and stability by providing a subsidy for a dependent child who is in a long-term, stable placement with a relative. | \$36.8 | \$37.1 | \$48.8 | \$49.0 | \$12.0 | \$11.9 | The FY 2012-13 and 2013-14 increases result from 60.5 percent of the total Kin-GAP population staying in the State-only Kin-GAP program. This change results in a 32 percent increase in the State-only Kin-GAP caseload. The November estimates assumed that 45.4 percent of cases would stay in the State-only Kin-GAP program. | Approximately 8,000 Kin-GAP cases are impacted in the FY 2012-13 and FY 2013-14. |
| COMMUNITY CARE LICENSING DIVISION | | | | | | | | |
| Family Child Care Homes (FCCH) - Significantly Changed: This premise provides funding for three counties to provide FCCH licensing services and processing of serious incident reports. | \$1.8 | \$1.8 | \$1.8 | \$0.7 | \$0.0 | -\$1.1 | The decrease reflects Sacramento County correcting prior months caseload reports, which results in an overall decrease in caseload. | In FY 2012-13 the caseload is estimated to be 3,822. In FY 2013-14 caseload is projected to drop to 1,825. This is a reduction of 2,072 cases from the 3,897 projected in the GB. Note: Sacramento County will recommend to their County Board of Supervisors to return the FCCH function back to the state. Funding for Sacramento County is still included in Local Assistance until CDSS receives formal notification to remove the funding from the county. |

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| Resource Family Approval - Significantly Changed: Pilot program to establish a single comprehensive approval process for Foster Care and Adoptions, replacing the separate process for licensing Foster Family Homes, approving relatives and non-related extended family members and approving adoptive families. | -\$0.1 | -\$0.1 | -\$0.1 | \$0.0 | \$0.0 | \$0.1 | The decrease reflects the suspension of the premise. | Staffing positions not available/approved, cannot fund/implement with existing resources. Impacts the Child Welfare Services program, Adoptions program and Community Care Licensing Division. |
| ADULT PROGRAMS | | | | | | | | |
| Supplemental Security Income/State Supplementary Payment (SSI/SSP) - Significantly Changed: Supplemental income payments to the aged, blind and disabled. | \$2,465.6 | \$2,496.4 | \$2,455.4 | \$2,477.4 | -\$10.2 | -\$19.0 | The decrease is due to lower caseload projections in the May Revision, as overall caseload is growing slower than anticipated. In CY, caseload projections decreased by 0.30 percent from 1,291,022 to 1,287,136 and BY decreased by 0.71 percent, from 1,308,026 to 1,298,697. | The impact of federal cost of living adjustments are reflected on separate lines. In 2014, an estimated increase of 0.6 percent to the consumer price index will increase SSI payments. |
| 8 Percent Across-the-Board Reduction - New Premise: This is a new premise resulting from the settlement of the Oster I, Oster II and Dominguez lawsuits. | \$0.0 | \$0.0 | \$0.0 | -\$114.8 | \$0.0 | -\$114.8 | This is a new premise. | This premise will reduce authorized hours to the In-Home Supportive Services (IHSS) program recipients. The total savings will be \$176 million due to the county share of savings moving to the state as a result of the IHSS county MOE shift. |
| 8 Percent Across-the-Board Reduction - Administration - New Premise: This new premise accounts for the administrative costs resulting from the settlement of the Oster I, Oster II and Dominguez lawsuits. | \$0.0 | \$0.0 | \$0.5 | \$3.5 | \$0.5 | \$3.5 | This is a new premise. | This premise provides communication to recipients regarding the reduction to authorized hours. The total savings of \$176 million is net the administrative cost. |

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| Community First Choice Option (CFCO) - Significantly Changed: The amount of savings associated with the enhanced funding is reduced in FY 2013-14 due to stricter nursing facility level-of-care eligibility criteria which will be outlined in the final federal regulations. | -\$200.7 | -\$107.0 | -\$207.3 | -\$134.5 | -\$6.6 | -\$27.5 | The increase in savings in CY is due to an increase in IHSS Basic Service Costs. The increase in savings in BY reflects the updated assumption regarding the portion of costs that will remain eligible once stricter nursing facility level-of-care eligibility criteria are put into practice. For GB 50% of population was estimated to qualify for CFCO with average monthly hours of 88; based on stricter federal regulations, the MR reduces this number to 41% of the population who are higher utilization recipients, with average hours of 135 which equates to 62% share of total cost. | There is no impact on recipients. |
| Case Management, Information and Payroll System (CMIPS) - Significantly Changed: This premise reflects the costs of contracting with the California Health and Human Services Agency's OSI for development, support and implementation of a new, enhanced CMIPS II system. This project replaces the original CMIPS with new technologies that provide system access for all IHSS county workers and a communication network between state and county IHSS offices. There was an extension to the pilot period affecting the rollout schedule for the remaining counties. | \$62.3 | \$63.9 | \$50.1 | \$53.0 | -\$12.2 | -\$11.0 | The decrease in costs for FY 2013-14 are due to the roll-out of the new system being delayed. | There is no impact on recipients. |
| Maintenance of Effort (MOE) Shift to GF - Significantly Changed: This premise reflects the shift of funds for the county share of services and administration that exceed the county MOE threshold, based on FY 2011-12 expenditures. | \$17.5 | \$47.1 | \$47.5 | \$76.5 | \$30.1 | \$29.4 | The increase reflects higher service cost. | There is no impact on recipients. |