

**California Department of Social Services
2015 May Revision
Local Assistance
Executive Summary**

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Executive Summary Overview

This document provides a brief, high-level summary of the most noteworthy changes to the 2015 May Revision Local Assistance Estimates for the California Department of Social Services (CDSS). The items listed in this document represent a significant policy change and/or a substantial change to estimated dollars compared to the 2015-16 Governor’s Budget. A more complete presentation of all budget proposals may be found in the Local Assistance Estimates, 2015 May Revision Binder (<http://www.cdss.ca.gov/cdssweb/PG106.htm>).

The CDSS Local Assistance budget provides funding for a wide variety of social services and income assistance programs. The programs administered by this Department are managed and funded through a broad based partnership of federal, state and county governments. For Fiscal Year (FY) 2015-16 the Department will be involved in the delivery of over \$27 billion total funds (\$7.3 billion General Fund [GF]) in program services and benefits for over 7.3 million Californians.

The display below identifies the GF expenditures for CDSS major programs, which includes California Work Opportunity and Responsibility to Kids (CalWORKs), Supplemental Security Income (SSI)/State Supplementary Program (SSP), In-Home Support Services (IHSS) and Child Welfare:

Programs	GF
CalWORKs	\$0.8 billion
Assistance Payments	\$0.1 billion
SSI/SSP	\$2.8 billion
IHSS	\$2.9 billion
Child Welfare	\$0.1 billion

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CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS **(CALWORKS)**

The core CalWORKs program includes \$5.5 billion in total funding for FY 2014-15, a \$18.0 million net increase in Temporary Assistance for Needy Families (TANF)/GF from the 2015-16 Governor's Budget. While the revised budget reflects a higher rate of decline for the overall CalWORKs caseload and slower rate of caseload increase in employment services, the net increase in expenditures is primarily due to a higher projected child care caseload and a slower implementation of Expanded Subsidized Employment resulting in less grant savings from the subsidized employment earnings.

The 2015 May Revision includes \$5.6 billion in total funding for FY 2015-16 for the core CalWORKs program, an \$84.0 million net decrease in TANF/GF from the 2015-16 Governor's Budget. This reflects more costs shifting from GF to county welfare departments (CWDs) based on the latest projection of available Realignment and Family Support Subaccount and Child Poverty and Family Support Subaccount funds. The 2015 May Revision also reflects the impacts of federal immigration reform, increased costs for child care and an increase in TANF used for CalGrants at the Student Aid Commission.

The overall CalWORKs caseload for FY 2015-16 is projected at 525,000, which represents a 1.5 percent decline over the 2015-16 Governor's Budget. The FY 2015-16 costs also reflect a slightly slower rate of increase in the employment services caseload to about 240,000 cases. Stage One Child Care is projected to increase to about 44,000 children, an 8.1 percent increase over the 2015-16 Governor's Budget.

California continues to face fiscal penalties totaling \$587.1 million due to failing the federal work participation rate (WPR) from Federal Fiscal Year (FFY) 2008 through FFY 2011. To avoid or reduce the penalty, California entered into a Corrective Compliance Plan effective FFY 2015. California's preliminary WPR for FFY 2014 is approximately 29.1 percent. The WPR is estimated to increase substantially with current policies being implemented, such as the Work Incentive Nutritional Supplement (WINS), funding Safety Net and felons with non-Maintenance of Effort (MOE) GF and Expanded Subsidized Employment. The 2015 May Revision also shifts TANF cost for the Long-term Welfare to Work (WTW) Sanction cases to non-MOE GF. The CDSS continues to provide technical assistance to counties to improve the WPR and ensure the state achieves corrective compliance. Failure to achieve a satisfactory WPR in FFY 2015 may result in California being assessed some or all of the penalties through a TANF block grant reduction which must be backfilled with GF.

Federal Immigration Reform Impact

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$0	\$0	\$0	\$39.8	\$0	\$39.8	\$39.8
Federal/ TANF	\$0	\$0	\$0	\$17.6	\$0	\$17.6	\$17.6
State	\$0	\$0	\$0	\$21.7	\$0	\$21.7	\$21.7

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

This is a new premise to provide funding for increased caseload to CDSS programs as a result of the President's Immigration Accountability Executive Orders.

On November 20, 2014, President Obama issued executive orders to expand the population eligible for the Deferred Action for Childhood Arrivals (DACA) program to people who entered the United States (U.S.) before the age of 16 and have lived in the United States continuously since January 1, 2010, and to include new Deferred Action for Parents of Americans (DAPA). The DAPA expansion will allow parents of U.S. citizens and lawful permanent residents to request deferred action and employment authorization for three years, provided they have lived in the U.S. continuously since January 1, 2010, and pass required background checks.

The implementation of the executive orders has been suspended due to a Temporary Restraining Order issued by the federal court. Assuming the suspension will be lifted and U.S. Citizenship and Immigration Services will be accepting applications for DACA and DAPA programs in the near future, the 2015 May Revision reflects impacts to CDSS programs beginning October 1, 2015.

Recipient/Consumer Impacts:

This premise will impact the following CDSS programs with partial-year phase-in:

CalWORKs and CalFresh

- CalWORKs and CalFresh will potentially increase by 8,800 and 1,040 citizen children, respectively, as a result of DAPA eligible individuals seeking benefits for their citizen children who currently are not receiving benefits. The FY 2015-16 costs reflect \$19.2 million TANF/GF for CalWORKs and \$0.04 million GF for CalFresh.

Adult Programs

- The Cash Assistance Payments for Immigrants (CAPI) program caseload will increase by approximately 250 resulting in a \$1.4 million GF cost in FY 2015-16.

- The IHSS Residual caseload will increase by approximately 2,034 resulting in a \$13.9 million GF cost for the services and administration in FY 2015-16.

Special Programs

- This premise includes \$4.8 million GF for non-profit legal service organizations to provide application assistance to undocumented immigrants eligible for deferred action under the President's Order.

WTW 24-Month Clock

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$0	-\$6.4	\$0	-\$1.0	\$0	\$5.4	-\$1.0
Federal/ TANF	\$0	-\$5.7	\$0	-\$0.9	\$0	\$4.8	-\$0.9
State	\$0	-\$0.5	\$0	-\$0.1	\$0	\$0.4	-\$0.1

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

The WTW 24-Month Clock provides 24 months of flexibility for CalWORKs clients to receive a wide array of services and supports to enter and remain in the workforce, including education and barrier-removal services. After 24 months, recipients will be required to focus on the employment-related activities that satisfy federal work participation requirements. If CalWORKs clients are unable to achieve the employment focused post-24 month requirements, they may receive a grant reduction. The WTW 24-Month Clock was effective January 1, 2013; however, it is assumed that the clock did not fully implement statewide until April 2013 which means that recipients will first begin to reach the end of their WTW 24-Month Clock in April 2015. FY 2015-16 is the first year of anticipated savings for cases that will receive a grant reduction when not meeting the federal participation requirements after using 24 months of WTW services.

Change from the 2015-16 Governor's Budget:

The 2015-16 Governor's Budget was based on participation status and time on aid under the CalWORKs 48-Month Assistance Clock since data reflecting the implementation of the 24-Month Clock was not yet available. Data on the 24-Month Clock shows significantly fewer cases will ultimately have their grant reduced as a result of the 24-Month Clock. The estimate methodology was also revised to exclude individuals who are either exempt from WTW or in sanction status, assuming these cases are not impacted by the 24-Month Clock.

Recipient/Consumer Impacts:

After 24 months of WTW services and the conciliation process, approximately 1,500 cases who are not meeting federal participation requirements will have the adult's portion of grant removed by June 2016.

CalWORKs Non-MOE Long-Term Sanction

This is a new premise. Effective March 1, 2015, adults who have been in sanction status for not complying with WTW requirements for 12 consecutive months or more are receiving benefits and services with solely state GF that will not count toward MOE. This fund shift is estimated to increase the state's TANF WPR by approximately 0.93 percent in FFY 2015 and 1.59 percent on an ongoing basis.

This fund shift frees up TANF funds in FY 2014-15 that will carry forward to FY 2015-16. These TANF funds will be transferred to the California Student Aid Commission in FY 2015-16 to offset the GF needed to fund these cases.

Overall, this funding shift is cost neutral and permitted under CDSS' administrative authority. Statute changes that parallel the treatment of child support for the other non-MOE GF cases will be necessary.

Recipient/Consumer Impacts:

Approximately 14,550 CalWORKs cases are in long-term sanction status. This policy change will be transparent from the recipients' perspective, but there will be a change in how child support is treated for these cases. Since the funding for these cases is switched to non-MOE GF, they will no longer have to assign their child support to the state and the Department of Child Support Services will no longer be required to track these cases. To the extent that this child support income can be reasonably anticipated, it could be factored into recipients' grant calculations.

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CALFRESH AND OTHER FOOD ASSISTANCE

The 2015 May Revision includes \$2.0 billion (\$0.7 billion GF) for CalFresh administration in FY 2015-16, which represents a \$59.7 million (\$29.1 million GF) decrease from the 2015-16 Governor's Budget. This decrease is largely a result of slower caseload growth and a lower impact of the Affordable Care Act (ACA) than was previously estimated. The entire ACA impact on the CalFresh program has been fully realized and the revised budget includes an adjustment to distinguish cases that have come onto CalFresh as a result of ACA from the base administrative funding.

The CalFresh caseload is projected to reach an average of 1.9 million households in FY 2015-16 after accounting for all new policy impacts, a decrease of 2.9 percent from the 2015-16 Governor's Budget projections. Over 241,000 new households (467,000 new individuals) are receiving CalFresh with the implementation of ACA.

After showing strong increases in the last year, the California Food Assistance Program (CFAP) caseload and corresponding benefits have begun to stabilize and return to a more moderate growth rate. The CFAP caseload is projected to increase by another 6.7 percent to 20,700 households in FY 2015-16.

The 2015 May Revision includes funding for other key food assistance programs. The WINS program is expected to reach 158,800 CalFresh households in FY 2014-15 and 184,200 households in FY 2015-16. As the California drought continues to affect key counties, the 2015 May Revision includes a two-year appropriation with additional funding for the Drought Emergency Food Assistance Program to address food needs into FY 2015-16.

Drought Food Assistance Program (DFAP)

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$12.9	\$7.1	\$23.1	\$13.9	\$10.2	\$6.8	(2yr. approp.)
Federal/ TANF	\$0	\$0	\$0	\$0	\$0	\$0	(2yr. approp.)
State	\$12.9	\$7.1	\$23.1	\$13.9	\$10.2	\$6.8	(2yr. approp.)

*Total includes budgeted amounts and provisional authority for each FY.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

The DFAP premise is the temporary program developed in response to the Governor's Drought Emergency Declaration in January 2014 to provide food assistance to impacted agricultural communities with high levels of unemployment.

Change from the 2015-16 Governor's Budget:

In March 2015 the program was expanded to five new counties and funding was extended with a two year appropriation to allow the program to continue operating through FY 2015-16. Additional funding of \$12 million will extend the program past October 2015 and \$5 million will expand the program in the five additional counties for 14 months. The 2015 May Revision budgeted total of \$23.1 million in FY 2014-15 reflects \$12.1 million in spending authority requested to date, plus provisional authority for an additional \$11 million in the current year. The FY 2015-16 total for 2015 May Revision reflects additional provisional authority of \$13.9 million, making the total funding for DFAP \$37 million to be available through FY 2015-16.

Recipient/Consumer Impacts:

This program distributes approximately 51,000 food boxes each month to counties which are experiencing significant loss of income due to the drought. The additional funding allows for them to continue receiving the same level of food aid through FY 2015-16, and also allows five new counties to receive approximately \$600,000 worth of food aid each month through FY 2015-16.

CalFresh Reporting Simplification: Eliminate Change Reporting (CR)

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$1.0	-\$8.0	\$0.05	-\$10.3	-\$0.95	-\$2.3	-\$10.35
Federal/ TANF	\$0.5	-\$4.0	\$0.02	-\$5.1	-\$0.48	-\$1.1	-\$5.12
State	\$0.5	-\$2.9	\$0.02	-\$3.5	-\$0.48	-\$0.6	-\$3.52

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

This premise reflects the net cost and savings of eliminating CR effective January 1, 2016. Households containing elderly or disabled individuals or seasonal or migrant workers were subject to CR when California originally implemented Quarterly Reporting, and continued CR when SAR was implemented. However, federal rules currently allow semi-annual reporting (SAR) for all households. Therefore, all CR households will be converted to SAR and implementation will be phased over the subsequent year at the recipient's recertification month. State statute is not required to implement this change.

This premise includes one-time automation total cost of \$50,000 (\$25,000 GF) in FY 2014-15 and \$1.3 million (\$656,000 GF) in FY 2015-16 to dismantle CR and additional administrative costs for the new SAR period for these households. The costs to convert these cases to SAR of approximately \$2.2 million are offset by administrative savings of approximately \$13.8 million due to fewer change reports throughout the year, as well as an assumed workload reduction associated with over issuance of benefits to households who do not properly report changes.

Change from 2015-16 Governor's Budget:

The implementation of this premise has been delayed from October 1, 2015, to January 1, 2016, to coincide with the completion of necessary automation changes. The increased savings is due to an increase in the number of change reporters in CalFresh.

Recipient/Consumer Impacts:

Approximately 269,400 CR households in CalFresh will be converted to SAR beginning January 2016 at the household's annual redetermination. Rather than reporting when experiencing a change of \$25 in gross earnings as required under CR, these households will only be required to submit one report every six months. If the household exceeds the Income Reporting Threshold under SAR, then they are required to report mid-period. Consolidating to a single SAR system reduces administrative complexity for the counties and helps reduce quality control errors and benefit over issuances from some households who fail to report under CR.

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AUTOMATION

The 2015 May Revision reflects funding shifts and/or changes in project scope for several automation projects in FY 2015-16 compared to the Governor's Budget.

- The Los Angeles Eligibility, Automated Determination, Evaluation and Reporting Replacement System (LRS) project reflects an increase of \$6.2 million (\$0.9 million GF) in FY 2015-16.
- The Welfare Client Data System-CalWORKs Information Network (WCDS-CalWIN) consortium reflects a \$1.8 million decrease (all federal) in FY 2014-15 and a \$9 million (\$3.1 million GF) increase in FY 2015-16 compared to the previous estimate.
- The Consortium IV (C-IV) reflects a \$2.6 million decrease (\$0.1 million GF) in FY 2014-15 and a \$6 million increase (\$2.0 million GF) in FY 2015-16.

As part of the continued implementation of the ACA, the Department of Health Care Services (DHCS), Covered California, and Statewide Automated Welfare System (SAWS) Consortia are working with the California Healthcare Eligibility, Enrollment and Retention System (CalHEERS) project on an integrated 24-Month Roadmap, which outlines business goals for Health Insurance Affordability Programs, sets priorities for upcoming system releases and coordinates release schedules across intersecting systems. The 24-Month Roadmap also includes support for ongoing maintenance and operations of the SAWS/CalHEERS Interface, known as eHit. The costs for the 24-Month Road Map are approximately \$20 million in FY 2015-16 (for first year of costs). These costs are reflected in the individual maintenance and operations budgets of each consortium and include Title XIX reimbursements from DHCS.

The 2015 May Revision also reflects a \$300,000 redirection of federal CalFresh Outreach funds for SAWS to produce monthly, automated reports that will monitor contract compliance and program deliverables for the CalFresh Outreach program.

Horizontal Integration

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$0	\$0	\$0	\$3.0	\$0	\$3.0	\$3.0
Federal/ TANF	\$0	\$0	\$0	\$1.8	\$0	\$1.8	\$1.8
State	\$0	\$0	\$0	\$1.2	\$0	\$1.2	\$1.2

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

This is a new premise. This item will fund the SAWS Consortia to process the necessary programming changes to allow individuals transferred from the Covered California Health application to complete a streamlined application for CalFresh and CalWORKs. The CalHEERS contract contains a provision allowing the state to implement integration efforts in the CalHEERS system by December 31, 2015.

Covered California and DHCS are utilizing a Change Request for the CalHEERS system to make changes necessary to allow the system to screen applicants after completion of their health application for potential eligibility for CalFresh and CalWORKs and move forward with their CalFresh or CalWORKs application through the SAWS Consortia.

This proposal is tracked on the 24 Month Roadmap and is scheduled for completion in June of 2016, but the funding identified in this premise is separate from the 24 Month Roadmap costs identified in the SAWS project budgets.

Recipient/Consumer Impacts:

This premise reflects the automation impact only. Horizontal Integration efforts will allow individuals transferred from the Covered California Health application to complete a streamlined application for CalFresh and CalWORKs through the SAWS online system portals, rather than being placed in a queue and requiring a county eligibility worker to complete a separate application at a later date. The automation will provide a consistent consumer experience across all counties.

SB 1341 SAWS System of Record Automation

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$0	\$0	\$0	\$8.8	\$0	\$8.8	\$8.8
Federal/ TANF	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State	\$0	\$0	\$0	\$4.4	\$0	\$4.4	\$4.4

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

This is a new premise. This premise reflects the one-time costs of automation required to allow the SAWS Consortia to be the system of record for Medi-Cal and contain all Medi-Cal eligibility rules and case management functionality. This automation will allow SAWS to generate Notices of Action for Medi-Cal.

Funding for this effort is reflected as 50 percent GF and 50 percent reimbursement from DHCS.

Recipient/Consumer Impacts:

Integrating additional programming into SAWS will allow county Medi-Cal eligibility staff to reject and correct erroneous CalHEERS eligibility decisions. This will ensure that beneficiaries are correctly notified of actions taken on their public assistance applications and/or cases. This will also result in a greater ease-of-use for recipients and less administrative burden on counties.

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ADULT PROGRAMS

Supplemental Security Income/State Supplementary Payment (SSI/SSP)

The SSI/SSP program reflects a decrease of \$15.5 million GF in FY 2014-15 and \$21.4 million in FY 2015-16 from what was budgeted in the 2015-16 Governor's Budget. This is due to a decrease in caseload projection by 0.2 percent in FY 2014-15 (1,300,184 versus 1,302,668) and by 0.2 percent in FY 2015-16 (1,307,789 versus 1,310,997) as compared to Governor's Budget.

In-Home Supportive Services (IHSS)

The IHSS program reflects a decrease of \$52.8 GF million in FY 2014-15 and an increase of \$216.9 million GF in FY 2015-16. The decrease in FY 2014-15 reflects delayed implementation of FLSA until FY 2015-16. For FY 2015-16, the increase reflects an increase in caseload (467,000 versus 462,648), an increase in hours and wages and implementation of the President's Federal Immigration Orders.

Supplemental Security Income/State Supplementary Payment

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$9,999.0	\$10,236.4	\$9,978.2	\$10,111.0	-\$20.8	-\$125.4	\$132.8
Federal	\$7,194.0	\$7,402.4	\$7,188.7	\$7,298.4	-\$5.3	-\$104.0	\$109.7
State	\$2,805.0	\$2,834.0	\$2,789.5	\$2,812.6	-\$15.5	-\$21.4	\$23.1

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

The SSI/SSP is a cash assistance program for low income aged, blind and disabled persons. The SSI portion is made up of federal funds administered by the Social Security Administration and the SSP portion is a GF supplement to the federal payment.

Change from 2015-16 Governor's Budget:

Due to a slower caseload growth than previously projected and lower average grants, the SSI/SSP budget decreased by \$15.5 million GF in FY 2014-15 and \$21.4 million GF in FY 2015-16.

Costs for SSI/SSP include the California Veterans Cash Benefit Program which increased by \$43,000 GF in FY 2014-15 due to a higher caseload than previously projected (from 608 to 631). The increase is due to updated actual cases that reflect a slower decrease in cases (23) than what was projected. There is a decrease of \$16,000 GF in FY 2015-16 due to the projected decrease in caseload from 439 to 431.

The SSI/SSP also includes the Cash Assistance Program for Immigrants (CAPI) Program which increased by \$2.4 million GF in FY 2014-15 and \$4.3 million GF in FY 2015-16. The net increase reflects a higher caseload than previously projected, a slightly higher average grant and the implementation of the Presidents Federal Immigration Orders offset by a decrease in administrative cost.

Recipient/Consumer Impacts:

The SSI/SSP program provides cash assistance to 1.3 million low-income aged, blind and disabled persons.

In-Home Supportive Services (IHSS) Program

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$7,902.4	\$9,667.8	\$7,495.9	\$9,835.4	-\$406.5	\$167.6	\$2,339.5
Federal (Title XIX Reimb.)	\$4,665.0	\$5,976.1	\$4,304.5	\$5,914.8	-\$360.5	-\$61.3	\$1,610.3
State	\$2,246.1	\$2,665.3	\$2,193.3	\$2,882.2	-\$52.8	\$216.9	\$688.9
County (Reimb.)	\$991.3	\$1,026.4	\$998.1	\$1,038.4	\$6.8	\$12.0	\$40.3

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

The IHSS program provides domestic services such as housework, meal preparation, transportation (when medical accompaniment) and personal care services to eligible low-income aged, blind and disabled persons. These services are provided to assist individuals so they can remain safely in their homes and prevent institutionalization.

Change from 2015-16 Governor's Budget:

There was a net decrease of \$52.8 million GF for the IHSS Program in FY 2014-15 due to suspended implementation of FLSA, offset by an increase in caseload, higher hours per case and cost per hour. There is a \$216.9 million GF increase in FY 2015-16 due to higher hours per case, cost per hour, and average monthly caseload and costs associated with implementation of the President's Federal Immigration Orders.

Recipient/Consumer Impacts:

Supplemental caseloads associated with the Coordinated Care Initiative and newly eligible beneficiaries under the ACA are projected to have a lower average monthly caseload impact than projected in the 2015-16 Governor's Budget.

It should be noted that 78 percent of the IHSS aged, blind and disabled population also received SSI/SSP benefits in FY 2013-14.

IHSS Basic Services

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$6,279.0	\$6,578.9	\$6,613.7	\$7,001.5	\$334.7	\$422.6	\$387.8
Federal (Title XIX Reimb.)	\$3,332.5	\$3,491.9	\$3,507.6	\$3,713.3	\$175.1	\$221.4	\$205.7
State	\$2,946.5	\$3,087.0	\$3,106.1	\$3,288.2	\$159.6	\$201.2	\$182.1

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

Basic services include wage, benefit, tax and workers compensation costs for all four IHSS program components and three IHSS service delivery modes.

Change from 2015-16 Governor's Budget:

The increase is due to higher hours per case, cost per hour and caseload. All costs associated with the Community First Choice Option (CFCO) program cases, which receive enhanced funding, are displayed under the CFCO table line.

Recipient/Consumer Impacts:

The FY 2014-15 average monthly caseload is 446,341, a slight increase from the 446,053 projected for FY 2014-15 in the 2015-16 Governor's Budget. The average monthly caseload for FY 2015-16 is projected to increase to 467,000 compared to 462,648 in the 2015-16 Governor's Budget.

The average hours per case for FY 2014-15 and FY 2015-16 are projected to increase from 94 to 99 hours based on actuals and after the restoration of service hours. The cost per hour is projected to increase from \$12.44 to \$12.47 per hour in FY 2014-15 and from \$12.57 to \$12.62 per hour in FY 2015-16. This reflects higher wages in 32 counties as a result of the minimum wage increasing to \$10.00 per hour effective January 2016.

Restoration in Service Hours

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$0	\$483.1	\$0	\$490.6	\$0	\$7.5	\$490.6
Federal (Title XIX Reimb.)	\$0	\$267.5	\$0	\$262.6	\$0	-\$4.9	\$262.6
State	\$0	\$215.6	\$0	\$228.0	\$0	\$12.4	\$228.0

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

The reduction in IHSS service hours under Welfare and Institutions Code section 12301.02, will be restored July 1, 2015, with funding from the Children's Health and Human Services Special Fund. Revenues include a Managed Care Organization (MCO) Provider tax proposed by the DHCS.

Recipient/Consumer Impacts:

IHSS consumers will benefit from the reinstatement of the reduction to their authorized service hours.

IHSS Caseload Impact of the ACA

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$284.4	\$293.8	\$25.5	\$62.9	-\$259.0	-\$230.9	\$37.4
Federal (Title XIX Reimb.)	\$277.3	\$286.5	\$24.9	\$61.2	-\$252.5	-\$225.3	\$36.3
State	\$7.1	\$7.3	\$0.6	\$ 1.7	-\$6.5	-\$5.6	\$1.1

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

This premise reflects enhanced funding of 100 percent Title XIX through June 2016 for newly eligible recipients under the ACA. These recipients are adults between the ages of 19 and 65 with incomes that do not exceed 138 percent of the federal poverty level who are receiving full-scope no cost Medi-Cal. It includes recipients enrolled in the Low Income Health Program, Medicaid Covered Expansion transition to Medi-Cal program on December 31, 2013 and express lane enrollment recipients.

Change from 2015-16 Governor's Budget:

The decrease reflects a lower caseload than previously projected based on actual IHSS data from January 2014 through January 2015. The FY 2014-15 average monthly caseload is projected to be 2,658 compared to 19,679 projected for FY 2014-15 in the 2015-16 Governor's Budget. For FY 2015-16, caseload is projected to be 5,718 versus 20,126 in the 2015-16 Governor's Budget.

Recipient/Consumer Impacts:

The ACA has provided access to IHSS services that were not previously available due to expanded Medi-Cal eligibility.

Fair Labor Standards Act (FLSA) Regulations, Overtime and Compliance

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$405.6	\$712.1	\$0	\$720.8	-\$405.6	\$8.7	\$720.8
Federal (Title XIX Reimb.)	\$222.0	\$395.8	\$0	\$386.3	-\$222.0	-\$9.5	\$386.3
State	\$183.6	\$316.3	\$0	\$334.5	-\$183.6	\$18.2	\$334.5

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

This premise reflects the implementation of the United States Department of Labor (DOL) Final Rule concerning domestic workers under the FLSA that were to be effective January 1, 2015. The Final Rule requires that providers be compensated for travel time between households if serving multiple recipients on the same day, as well as wait time during recipient medical visits under specific circumstances. The federal changes also require payment of overtime for hours worked beyond 40 hours per week. In late December 2014, a federal district court ruled that a portion of the regulations exceeded the federal DOL's authority and delayed implementation of the regulations. Under state law, the state's implementation of overtime, commute time, and wait time were also delayed pending further action by the federal court. On January 14, 2015, the federal Judge issued a ruling, vacating the DOL's revised companionship services definition that was scheduled to go into effect on January 15, 2015.

Change from 2015-16 Governor's Budget:

The net decrease in FY 2014-15 is due to suspended implementation. The increase in FY 2015-16 reflects a higher provider cost per hour, and a shift of one-time administration costs from FY 2014-15 offset by lower projection for supplemental CCI and ACA caseloads. The amount budgeted under the updated estimate will depend on the outcome and timing of the court's final ruling.

Recipient/Consumer Impacts:

Both providers and recipients could be impacted, depending upon court action.

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CHILDREN AND FAMILY SERVICES PROGRAMS

The updated caseload data reflects that the total Aid to Families with Dependent Children-Foster Care cases have increased approximately 2.1 percent from the FY 2015-16 Governor's Budget for FY 2014-15 and the caseload is projected to increase 0.1 percent for FY 2015-16.

The Kinship Guardianship Assistance Payment (Kin-GAP) population reflects a slight increase over what was projected in the 2015-16 Governor's Budget. Overall, there is a decrease in the state Kin-GAP program due to more cases being federally eligible. The FY 2015-16 Governor's Budget assumed 43.9 percent of the total Kin-GAP population to be federally eligible. For the 2015 May Revision, federally eligible cases now represent 47.03 percent for FY 2014-15 and 46.64 percent for FY 2015-16.

The FY 2015-16 cost increase for the Child Welfare Services programs is due to the inclusion of the indirect cost rate for the Child Welfare Training program as well as updated assumptions for the CWS Case Record Reviews and Strengthening Families Act premises.

CWS Case Record Reviews

Funding* (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$10.3	\$10.3	\$10.3	\$18.7	\$0	\$8.4	\$8.4
Federal/ TANF	\$3.0	\$3.1	\$3.0	\$5.5	\$0	\$2.4	\$2.5
State	\$3.6	\$3.6	\$3.6	\$6.6	\$0	\$3.0	\$3.0

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

This premise reflects funding for additional federally mandated activities for California Child and Family Services Reviews. In order to comply with the August 27, 2012, federal ACF Children's Bureau memorandum 12-07, funds were needed for a state Continuous Quality Improvement system. This included caseworkers conducting ongoing case reviews to measure the quality of casework provided by CWDs. California's existing Continuous Quality Improvement system does not contain this element.

Change from the 2015-16 Governor's Budget:

There is no change in FY 2014-15. The FY 2015-16 increase reflects additional FTEs needed to complete all of the federally mandated activities. After counties started implementing the caseworker reviews, it was determined that there were not enough resources funded to complete all of the activities required by the federal government.

Recipient/Consumer Impacts:

There is no impact to clients.

Child Welfare Training Program

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$24.5	\$26.0	\$26.8	\$28.3	\$2.3	\$2.3	\$1.5
Federal/ TANF	\$14.5	\$15.2	\$17.0	\$17.0	\$2.5	\$1.8	\$0
State	\$9.9	\$10.8	\$9.8	\$11.3	-\$0.1	\$0.5	\$1.5

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

This premise reflects the costs of providing a statewide coordinated training program designed specifically to meet the needs of county social workers assigned to ER, FM, FR, PP and Adoption responsibilities. The Child Welfare Training Program includes training for other public agencies, including county probation departments, who provide child welfare case management services. The training includes crisis intervention, investigative techniques, rules of evidence, indicators of abuse and neglect, assessment criteria, intervention strategies, family-based services, legal requirements of child protection, indicators of mental health needs, case management and the use of community resources.

Change from the 2015-16 Governor's Budget:

This premise provides increased funding to cover the cost of a ten percent indirect cost rate for these three Universities. This will allow the Universities to continue to provide the training and avoid a more costly alternative if they can no longer provide the training. Should the increase not be approved, CDSS will have to reduce current contract deliverables to the counties in order to cover these additional expenses. If the partnership with the universities ends precipitously, it will have negative consequences for the state related to federal compliance that could lead to significant fiscal penalties.

Recipient/Consumer Impacts:

There is no impact to clients.

Performance Data on Psychotropic Medication for Children in Foster Care

Funding (In Millions)	2015-16 Governor's Budget		2015 May Revision		Change		
	FY 2014-15	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15 Previous Estimate** to FY 2014-15 May Revision	FY 2015-16 Governor's Budget to FY 2015-16 May Revision	FY 2014-15 May Revision to FY 2015-16 May Revision
Total*	\$0	\$0	\$0	\$0.15	\$0	\$0.15	\$0.15
Federal/ TANF	\$0	\$0	\$0	\$0.05	\$0	\$0.05	\$0.05
State	\$0	\$0	\$0	\$0.1	\$0	\$0.1	\$0.1

*Total may include county dollars which are not displayed.

**Referenced in the 2015-16 Governor's Budget Binder as the 2014-15 Revised Budget.

This new premise seeks to establish a contract to match Medi-Cal data with foster care data at regular intervals. This data match is a new effort to meet federal requirements under Public Law 112-34. The CDSS and DHCS do not currently have the capacity to produce the data required by federal regulations.

Federal requirements mandate a state's health care oversight plan include an outline of protocols for the appropriate use and monitoring of psychotropic medications. To meet the federal requirements, California has engaged with DHCS and stakeholders to develop guidelines, protocols and educational materials. The CDSS and DHCS have conducted cross-system data matching to inform policy decisions for effective oversight and monitoring. This contract will allow for data analysis, including case specific information which will be shared with counties. Counties will use the information to improve administration and oversight of psychotropic medications at the local level.

Recipient/Consumer Impacts:

There is no impact to clients.

Services to Commercially Sexually Exploited Children (CSEC) and Strengthening Families Act

This premise reflects costs associated with the federal Preventing Sex Trafficking and Strengthening Families Act (PL 113-183). The Act requires additional social worker activities related to Another Planned Permanent Living Arrangements, Transition Plans, Reasonable and Prudent Parent Standard, Relative Notifications, Pregnant Minors and Non-Minor Dependents.

In addition it includes development and implementation of policies and procedures and reporting incidences of CSEC.

Change from the 2015-16 Governor's Budget:

To comply with the new federal statutory requirements, funding for additional social worker activities and time need to be added, including new components under the Strengthening Families Act premise that includes relative notification, foster youth credit reports, compilation of data on pregnant minors and non-minor dependents. There are also activities for the development of CSEC policies and procedures that have been added to the CSEC premise.

Recipient/Consumer Impacts:

This federal requirement will affect all child welfare and probation youth. County social workers will be required to work with eligible youth, parents of youth and caregivers on items including long-term case and transition plans, relative notification and reviewing credit reports. The law also requires the collection and recording of data on pregnant minors and non-minor dependents as well as identifying victims of child sex trafficking.

Services to CSEC & Strengthening Families
Summary

FY 2015-16

Expenditures: (in 000s)	2015 May Revision					2015-16 Governor's Budget					Difference		
	Total	Fed	State	County	Total	Total	Fed	State	County	Total	Fed	State	County
Services to CSEC													
P&Ps: CSEC	\$1,776	\$545	\$615	\$616	-	-	-	-	-	\$1,776	\$545	\$615	\$616
Protocols: Runaways	1,777	546	615	616	-	-	-	-	-	1,777	546	615	616
Notify Law: CSEC	214	44	85	85	-	-	-	-	-	214	44	85	85
Notify Law: Runaways	36	6	15	15	-	-	-	-	-	36	6	15	15
Collect/Input CWS/CMS	277	57	110	110	-	-	-	-	-	277	57	110	110
ID CSEC	1,241	257	492	492	-	-	-	-	-	1,241	257	492	492
Determine Services	3,312	684	1,314	1,314	-	-	-	-	-	3,312	684	1,314	1,314
Probation Placement Training	15	7	4	4	-	-	-	-	-	15	7	4	4
Strengthening Families Act - CSEC Activities Total¹	8,648	2,146	3,250	3,252	-	-	-	-	-	8,648	2,146	3,250	3,252
Youth Training	-	-	-	-	750	0	750	0	0	(750)	0	(750)	0
Other Training	-	-	-	-	3,027	977	2,050	0	0	(3,027)	(977)	(2,050)	0
Protocol Dev. & Cap. Building	-	-	-	-	14,091	2,891	11,200	0	0	(14,091)	(2,891)	(11,200)	0
"Not Ready" Counties ²	494	119	375	0	-	-	-	-	-	494	119	375	0
"Ready" Counties ³	11,079	704	10,375	0	-	-	-	-	-	11,079	704	10,375	0
Total	20,221	2,969	14,000	3,252	17,868	3,868	14,000	\$0	\$0	2,353	(899)	0	3,252
Strengthening Families													
APPLA	7,105	1,467	2,819	2,819	988	180	404	404	404	6,117	1,287	2,415	2,415
Successor Guardian	1,673	313	680	680	1,542	284	629	629	629	131	29	51	51
RPPS	1,883	351	766	766	1,872	344	764	764	764	11	7	2	2
Notify Relatives	627	119	254	254	-	-	-	-	-	627	119	254	254
Pregnant	10	2	4	4	-	-	-	-	-	10	2	4	4
CSEC (Federal)	-	-	-	-	108	22	43	43	43	(108)	(22)	(43)	(43)
Total	11,298	2,252	4,523	4,523	4,510	830	1,840	1,840	1,840	6,788	1,422	2,683	2,683
Grand Total	\$31,519	\$5,221	\$18,523	\$7,775	\$22,378	\$4,698	\$15,840	\$1,840	\$1,840	\$9,141	\$523	\$2,683	\$5,935

¹ Strengthening Families Act - CSEC Activities initially included in the Strengthening Families Act premise are now included in the Services to CSEC program.

² "Not Ready" counties will receive \$25,000 each to develop protocols.

³ Remaining GF will be distributed to "Ready" counties, based on Foster Care caseload, to serve their CSEC population.