

Department of Human Services 2013–2015 Rebalance Report

*State Emergency Board
Human Services Subcommittee*

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DHS Rebalance Overview

Bottom Line: No GF Request at this time. Risks remain.

Major Cost Drivers Since February 2014 Rebalance:

- Caseload/Cost-per-Case in Aging and People with Disabilities (APD) and Intellectual/Developmental Disabilities (I/DD) programs

Management Actions/GF Savings to Balance Budget:

- Personnel management
- Savings in both Temporary Assistance to Needy Families (TANF) and Child Welfare programs
- New revenue: SNAP bonus, additional TANF contingency funds, carryover provider tax and a SAIF refund

Rebalance Summary by the numbers

<u>Overview of GF rebalance issues</u>									
	<u>APD</u>	<u>I/DD</u>	<u>Self Suf</u>	<u>CW</u>	<u>Central</u>	<u>SAEC</u>	<u>PDS</u>	<u>TTL</u>	
Program	\$ 5.2	\$ 15.2	\$ (0.5)	\$ (6.9)	\$ 0.5				\$ 13.5
Delivery	\$ (1.9)	\$ 2.9	\$ (6.1)	\$ (1.2)					\$ (6.3)
Design	\$ (0.5)	\$ (1.6)	\$ 3.7	\$ 0.1					\$ 1.7
Revenue	\$ (2.5)	\$ (0.3)	\$ (5.9)	\$ -					\$ (8.7)
Tech Adj	\$ (0.5)	\$ -	\$ 5.6	\$ (5.9)		\$ 0.2	\$ 0.4		\$ (0.2)
TTL	\$ (0.2)	\$ 16.2	\$ (3.2)	\$ (13.9)	\$ 0.5	\$ 0.2	\$ 0.4		\$ (0.0)

This table sets out the net issues in each program area by the subset of the program. It sets out the revenue actions proposed by the agency and the technical adjustments.

Based on these current projections DHS does not request additional GF at this time.

Major Caseload and Cost Per Case drivers

Services to Adults and People with Disabilities (APD)

- Significant increase in In-Home cases (approx \$9.5 million GF), especially in Hourly Home Care Worker caseload.
- Higher utilization of the Oregon Supplemental Income Program (approx \$2.3 million GF)

Services to Individuals with Intellectual/Developmental Disabilities (I/DD)

- Significant increase in the Children's In-Home Program caseload/cost per case (approx \$5.2 million GF)
- Increase in adult I/DD caseload (approx \$2.2 million GF)
- Lower Medicaid service eligibility rates than expected (approx \$7.8 million GF total in program and delivery.)

General Fund Savings/Revenue

Self Sufficiency:

- Small Net GF savings due to lower caseloads
- Expanded Management actions re: Personal Services/Staffing

Child Welfare:

- Reduced caseloads/costs-per-case has two major drivers of savings
- Carefully managed staff on-boarding

APD:

- Higher estate recoveries
- Reduced Adult FC caseload; Reduced cost-per-case in Assisted Living

New Revenue:

- Additional TANF contingency funds in SS of \$2.0 million
- A SAIF rebate in both APD and I/DD totaling \$800,000
- Carryover provider tax from 2011-13 in APD of \$2.0 million
- SNAP bonus of \$3.9 million

Ongoing DHS Budget Risks

Most Significant (Known) 2013-15 Risks:

- Caseload (particularly in I/DD)
- Federal law, budget changes

Risks to keep in mind (more likely 2015-17 issues)

1. District Attorney representation in Child Welfare cases
2. TANF penalties
3. USDOJ/Lane v. Kitzhaber litigation is ongoing
4. USDOL enforcement of the new FLSA regulations

Thank You

Questions?

For more information regarding the DHS rebalance, visit:
<http://www.oregon.gov/DHS/> under Budget and Legislative Actions

For more information regarding the DHS Forecast, visit:
<http://www.oregon.gov/dhs/ofra/Pages/index.aspx>