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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. In any year in which the state meets the federal work participation rate (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program the Maintenance of Effort (MOE) falls from 80 percent to 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. The state has not met the WPR since Federal Fiscal Year (FFY) 2007.

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 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 from Appropriation is due to a decrease in GF spending the CalWORKs program, Tribal TANF, the Kinship Guardianship Assistance Payment (KinGAP) Program.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in the BY is a result of the anticipated decrease in caseload and program expenditures due to the Governor's Special Session reduction proposals, a decrease in spending in the KinGAP program, and a reduction in other department MOE.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	Grant	Grant
Total	$0	$0
Federal	-969,448	-1,545,576
State	969,448	1,545,576
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 16.22 percent and 14.26 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 APPROPRIATION:

- The CY increase for CalWORKs grant costs is due to a higher CalWORKs caseload and a slight increase in the two-parent expenditure ratio.
- The CY service costs increase is due to an increase in caseload, despite a slightly lower ratio of two-parent expenditures.
- The CY administrative costs increase is due to an increase in caseload and a higher ratio of two-parent expenditures .
- The CY Child Care Services and Administration costs increase is a result of an increase in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

- The BY decrease for CalWORKs grant costs is due to a decrease in caseload.
- The decrease in services, administrative costs and child care are a result of a decrease in projected caseload for BY.

CASELOAD:

	2010-11	2011-12
Average Monthly Caseload	57,588	50,490

EXPENDITURES:

(in 000's)

ITEM 101 - Total	2010-11	2011-12
Total	$597,297	$462,748
Federal	560,031	430,236
State	26,331	24,396
County	10,935	8,116
Reimbursements	0	0

Two-Parent Families

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CalWORKs Grants	2010-11	2011-12
Total	$437,381	$324,640
Federal	426,447	316,524
State	0	0
County	10,935	8,116
Reimbursements	0	0

ITEM 101 - CalWORKs Services	2010-11	2011-12
Total	$78,877	$72,977
Federal	78,877	72,977
State	0	0
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Administration	2010-11	2011-12
Total	$54,708	$40,735
Federal	54,708	40,735
State	0	0
County	0	0
Reimbursements	0	0

Two-Parent Families

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CalWORKs Stage One Child Care	2010-11	2011-12
Total	$26,331	$24,396
Federal	0	0
State	26,331	24,396
County	0	0
Reimbursements	0	0

Unallocated Reduction

DESCRIPTION:

This premise reflects the Budget Action to make an unallocated General Fund (GF) reduction to the California Work Opportunity and Responsibility to Kids (CalWORKs) program in the Budget Act of 2010 of $365.9 million. The Budget Act requires the California Department of Social Services (CDSS) to request a corresponding advance of Temporary Assistance to Needy Families (TANF) Block Grant funds from the federal government for the June 2011 quarter in order to achieve one-time GF relief without adversely impacting the CalWORKs program. The CDSS will need to request the TANF Block Grant advance for the June quarter each year to maintain this one-time GF savings. The advance is equivalent to approximately ten percent of the next Federal Fiscal Year (FFY) TANF Block Grant.

IMPLEMENTATION DATE:

This premise implemented on October 8, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Budget Act of 2010.
- Assumes a $365.9 million unallocated GF reduction to the CalWORKs program in Fiscal Year (FY) 2010-11.
- Assumes a corresponding advance of the FFY 2012 TANF Block Grant funds in the June quarter of FY 2010-11.
- CDSS will need to apply for the advance of TANF Block Grant funds for the June quarter of FY 2010-11 and every subsequent FY.

METHODOLOGY:

The $365.9 million unallocated reduction to the CalWORKs program will be offset by a corresponding request of $365.9 million advance of the FFY 2012 TANF Block Grant to achieve one-time GF savings in FY 2010-11. The request for the advance will have to be made each subsequent fiscal year to avoid a GF shortfall of $365.9 million.

FUNDING:

Reduction – 100 percent GF

TANF Block Grant advance – 100 percent TANF

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Current Year only item.

Unallocated Reduction

EXPENDITURES:
(in 000's)

ITEM 101 - CalWORKs	2010-11	2011-12
Total	$0	$0
Federal	365,900	0
State	-365,900	0
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.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11450.
- For Fiscal Year (FY) 2010-11 a total of 13,068,016 All Other Families (AF) personmonths and 2,549,818 Two-Parent (TP) personmonths are anticipated. For FY 2011-12, 12,996,151 AF personmonths and 2,467,402 TP personmonths are projected.
- For both the Current Year (CY) and the Budget Year (BY), AF cases consist of 2.34 persons and TP cases consist of 3.76 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),” “County Exemptions and Flexibility,” and “Reduced CalWORKs Grant Impact.” Also, an adjustment is made for the costs associated with new tribes establishing Tribal Temporary Assistance for Needy Families (TANF) program.
- 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 eight for the CY and seven for the BY with an average cost per case of $2,407.
- The estimated cost per person is based on an average of the actual cost per person from October 2009 to April 2010.
- The AF cost per person is $219.15 for the CY and the BY. The TP cost per person is $166.72 for the CY and the BY.
- The AF and TP basic costs are adjusted for the OASDI COLA and is projected to be -0.6 percent effective January 1, 2011 and 0.2 percent January 1, 2012. Due to the negative Consumer Price Index (CPI) there is assumed to be no impact to OASDI payments in January 2011.
- 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 2010-11 reduction in cash grants of $1,096,125 and a FY 2011-12 reduction of $1,160,151.

CalWORKs – Basic Grants

KEY DATA/ASSUMPTIONS (CONTINUED):

- The CY and the BY reflect a shift of funds from the Recent Noncitizen Entrants (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," "County Exemptions and Flexibility," "Reduced CalWORKs Grant Impact," and new tribes establishing Tribal TANF programs.

DATA COMPARISON CHART:

FY 2010-11	AF	TP
Projected Personmonths	13,068,016	2,549,818
Projected Casemonths	5,578,493	677,339
Cost Per Case	2.34	3.76

FY 2011-12	AF	TP
Projected Personmonths	12,996,151	2,467,402
Projected Casemonths	5,546,945	655,603
Cost Per Case	2.34	3.76

FUNDING:

The funding in the CY and the BY is 90.50 percent TANF, 7.0 percent General Fund (GF), and 2.50 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 change is due to an increase in the projected caseload.

CalWORKs – Basic Grants

REASON FOR YEAR-TO-YEAR CHANGE:

The caseload is projected to decrease from the CY to the BY.

CASELOAD:

	2010-11	2011-12
Average Monthly Caseload	521,319	516,879
Average Monthly Persons	1,301,486	1,288,629

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$3,222,662	$3,204,408
Federal	2,916,577	2,899,835
State	224,464	223,414
County	81,621	81,159
Reimbursements	0	0

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General Fund Above Basic MOE

DESCRIPTION:

This premise reflects the General Fund (GF) needed to fully fund the California Work Opportunity and Responsibility to Kids (CalWORKs) program costs that exceeded the available Temporary Assistance for Needy Families (TANF) funds and maintenance of effort (MOE) funds for Fiscal Year (FY) 2010-11.

IMPLEMENTATION DATE:

GF MOE is needed in FY 2010-11.

KEY DATA/ASSUMPTIONS:

- The total funds needed to fund the CalWORKs program in FY 2010-11 exceeded the available TANF/MOE funds due to caseload increases and the expiration of federal stimulus funds.
- As referenced in the Unallocated Reduction premise, included in the Budget Act of 2010 was a requirement that the California Department of Social Services (CDSS) request an advance of TANF funds from the federal government.
- Assumes the advance of TANF funds will be used to cover the CalWORKs program costs in excess of the available TANF/MOE funds in FY 2010-11.

METHODOLOGY:

The CalWORKs program costs that exceeded the available TANF/MOE will be funded with the requested TANF advance from the federal government.

FUNDING:

This funding is 100 percent GF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Current Year only item.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$0	$0
Federal	-365,900	0
State	365,900	0
County	0	0
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. The AB 98 program will resume after the end of ARRA.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2008. This premise reinstates SE (AB 98) with the completion of ARRA as of September 30, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11322.63.
- Based on survey and participant data received from the counties, it is assumed that counties participating in a SE program through ARRA will either continue their program after ARRA ends or discontinue the program altogether. However, it is assumed the continuing counties will significantly scale down their SE program.
- Based on the county survey results, the caseload and cost for those counties continuing a SE program is assumed to be consistent with pre-ARRA levels.
- The cost of the subsidy is also partially offset by administrative savings of $33.58 per month for those that would "income out" and be discontinued.

FUNDING:

The funding for the CalWORKs grant savings is 96.5 percent Temporary Assistance for Needy Families (TANF), one percent General Fund (GF) and 2.5 percent county. The funding for the wage subsidy is 99 percent TANF and one percent GF. The funding for the CalWORKs administrative savings is 94.02 percent TANF and 5.98 percent GF.

CHANGE FROM THE APPROPRIATION:

The prior subvention assumed that the ARRA SE program would end on June 30, 2011. Since no federal legislative action had taken place to extend ARRA, this premise reinstates the SE AB 98 program beginning October 1, 2010.

Subsidized Employment (AB 98)

REASON FOR YEAR-TO-YEAR CHANGE:

The CY reflects three months of costs and savings. The BY reflects a full year of costs and savings.

EXPENDITURES:

(in 000's)

101 – CalWORKs Grants	2010-11	2011-12
	Grants	Grants
Total	$-1,353	$-1,803
Federal	-1,305	-1,740
State	-14	-18
County	-34	-45
Reimbursements	0	0

101 – CalWORKs Services	2010-11	2011-12
	Services	Services
Total	$5,518	$7,357
Federal	5,463	7,288
State	55	69
County	0	0
Reimbursements	0	0

101 – CalWORKs Administrative Savings	2010-11	2011-12
	Admin.	Admin.
Total	$-53	$-71
Federal	-50	-67
State	-3	-4
County	0	0
Reimbursements	0	0

Emergency Contingency Fund (ECF) Expanded Basic Assistance Program

DESCRIPTION:

This premise reflects the expenditures for the ECF Expanded Basic Assistance (EBA) operated by Los Angeles County. The American Recovery and Reinvestment Act (ARRA) of 2009 allows states to access Temporary Assistance for Needy Families (TANF) ECF for increased expenditures in Basic Assistance. Due to high rents and the current economic crisis, Los Angeles County established the EBA to provide homeless families rental assistance (RA) to remain housed once they have secured permanent housing. Los Angeles County's EBA program provides a rental subsidy for up to eight months for California Work Opportunity and Responsibility to Kids (CalWORKs) program families in which the adult is participating in Welfare-to-Work activities. Under the RA program, families who qualify may receive a rental subsidy of up to $300 per family (based on family size) for up to eight months to assist them in sustaining their housing and avoid future homelessness. Eligible populations include CalWORKs and Kinship Guardianship Assistance Payment Program recipients.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare Institution Code 10545(b)(3).
- It is assumed that under ARRA, California will be reimbursed for 80 percent of increased expenditures for Basic Assistance above the base year expenditures.
- Los Angeles County will provide the 20 percent ECF match of the total expenditure through the use of the CalWORKs single allocation, fraud incentives, or other allowable third-party sources.
- It is assumed that the expenditures for Los Angeles County's EBA program in the fourth quarter of Federal Fiscal Year 2010 was approximately $372,000.
- Los Angeles County had no base year expenditures for this program.

METHODOLOGY:

For the Current Year, the ECF EBA funds are calculated by multiplying the expenditures by 80 percent ($372,000 x 0.80 = $297,600).

FUNDING:

This premise is funded with 100 percent ECF funds.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

Emergency Contingency Fund (ECF)
Expanded Basic Assistance Program

REASON FOR YEAR-TO-YEAR CHANGE:

The ECF EBA funds are not available in the Budget Year due to the expiration of ARRA.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$ 298	$ 0
Federal	298	0
State	0	0
County	0	0
Reimbursements	0	0

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 California Work Opportunity and Responsibility to Kids (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 AB X4 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 welfare-to-work (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 was July 28, 2009, and the implementation date was August 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Chapter 4, Statutes of the Fourth Extraordinary Session of 2009.
- For cases that have young children, the premise also impacts the restoring of 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 12,869 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 359 will be subject to reach their 60 month time limit in Fiscal Year (FY) 2010-11.
- 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 229 cases). The estimate further 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 94 cases), and 10 percent of the cases will leave the program (approximately 36 cases).

CalWORKs Short-Term Reform Efforts – County Exemptions and Flexibility

KEY DATA/ASSUMPTIONS (CONTINUED):

Young Children Exemption

- The estimate assumes that approximately 48,066 cases/families have young children that meet the new exemption criteria.
- Based on data from July 2008 to June 2009, approximately 965 cases time out each month. Of the cases that time out each month, approximately 16 percent meet the young child criteria, resulting in approximately 154 cases with young children that time out each month (965 x 16 percent x 12 = 1,853).
- 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 1,182 cases). The estimate further 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 485 cases), and 10 percent of the cases will leave the program (approximately 185 cases).
- The estimate assumes that cases that would have transferred to the Safety Net will cost an additional $133 per month, which is the cost of adding the adult back to the Assistance Unit. Cases that would have left the program will cost $561 per month, which is the average family grant in CalWorks.

Sanction Cases

- The estimate assumes that 6,729 cases/families are in sanction status in FY 2010-11 (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.
- The estimate assumes that cases that would have otherwise been sanctioned will cost an additional $133 per month, which is the cost of adding the adult back to the Assistance Unit.

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 ($561). For FY 2010-11, approximately 94 cases will be restored resulting in additional grant costs of approximately $1.4 million (2,424 case months X $561).
- For cases that otherwise would have gone to the Safety Net, the adult portion of the grant is restored ($133). For FY 2010-11, approximately 229 cases will be restored resulting in additional grant costs of approximately $0.8 million (5,904 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 ($561). For FY 2010-11, approximately 485 cases be restored resulting in additional grant costs of approximately $5 million (8,977 case months X $561).
- For cases that otherwise would have gone to the Safety Net, the adult portion of the grant is restored ($133). For FY 2010-11, approximately 1,183 cases will be restored resulting in additional grant costs of approximately $2.9 million (21,859 case months X $133).

Sanction Cases

- For FY 2010-11, the estimate assumes that approximately 6,729 cases/families will be granted a blanket exemption resulting in increased grant costs of approximately $10.7 million (e.g. 48,066 families with young children x 14% in sanction = 6,729), (6,729 x 12 months x 133 = $10,739,484).

Administrative Costs

- For FY 2010-11, the estimate assumes that approximately 579 cases/families could remain on aid longer because of the time limit exemptions resulting in increased administrative costs of approximately $0.2 million (94+485=579), (579 x $33.58 x 12 =$233,314).

FUNDING:

Grant Costs: The funding is 90.5 percent Temporary Assistance for Needy Families (TANF), 7.0 percent General Fund (GF), and 2.50 percent county.

Administrative Costs: The funding is 94.42 percent TANF and 5.58 percent GF.

CHANGE FROM THE APPROPRIATION:

Grant Costs: The net increase in grant costs is due primarily to restoring the 15.7 percent grant reduction assumed in the Appropriation. The updated CY figures assume current grant levels. This increase offset a decrease in the number of families estimated to qualify for the young children exemption.

Administrative Costs: The increase in the CY is due to a slightly higher number of cases subject to reach their 60 month time limit in FY 2010-11.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a CY only premise.

CalWORKs Short-Term Reform Efforts – County Exemptions and Flexibility

EXPENDITURES:

(in 000's)

101 – CalWORKs Grants	2010-11	2011-12
Total	$20,829	$0
Federal	18,854	0
State	1,454	0
County	521	0
Reimbursement	0	0

101- CalWORKs Administration	2010-11	2011-12
Total	$233	$0
Federal	220	0
State	13	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), CalFresh, 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 CalFresh 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 CalFresh 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. CalFresh recipients are only required to report address changes in mid-quarter. Certain Non-Assistance CalFresh (NACF) 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 CalFresh 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 6,995,646 CalWORKs casemonths; 13,089,880 NACF casemonths; and 178,731 CFAP casemonths.
- The Budget Year (BY) costs and savings are based on 6,961,472 CalWORKs casemonths; 15,431,744 NACF casemonths; and 203,087 CFAP casemonths.
- It is assumed that 10.5 percent of the total NACF/CFAP cases are currently subject to nonmonthly/change reporting based on the CalFresh Characteristics Survey. The remaining cases, 11,728,532 NACF cases and 159,965 CFAP cases in the CY; and 13,826,843 NACF cases and 181,763 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 NACF.
- 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 NACF/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 NACF/CFAP mid-quarter case activities under QR/PB are estimated to cost $28.23 per case.
- Mid-quarter administrative activities for CalWORKs and NACF/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, NACF, 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 $177.50 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 $112.
- 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 $513.65 based on the CA 800 CalWORKs expenditure reports for the period from July 2009 to June 2010.
- The average CFAP benefit per case is $290.92 based on the average coupon benefit per case for Calendar Year 2010.
- It is estimated that six CFAP cases per month in the CY and seven CFAP cases per month in the 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 39 CFAP cases per month in the CY and 44 CFAP cases per month in the 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 NACF/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 NACF/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, NACF, 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 6,961,472)
- 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 6,961,472)
- 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 6,961,472)

Prospective Budgeting

METHODOLOGY (CONTINUED):

- The NACF 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. NACF BY: ($25.01 x 13,826,843)
- The NACF 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. NACF BY: ($39.33 x 13,826,843 x 33 percent)
- The NACF 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. NACF BY: (13,826,843 x 2.72 percent x $28.23)
- The NACF 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. NACF BY: (13,826,843 x 4.47 percent x $28.23)
- The NACF 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. NACF BY: (13,826,843 x 0.69 percent x $28.23)
- The CalWORKs, NACF, 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. NACF BY: (13,826,843 x 33 percent x $0.78), for CalWORKs BY: (6,961,472 x 33 percent x $0.78)
- The CalWORKs, NACF, and CFAP administrative savings due to not mailing monthly reports is calculated by multiplying the number of cases reporting monthly by the mailing cost. NACF BY: (13,826,843 x $0.78), for CalWORKs BY: (6,961,472 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: ($513.65 x 86,460 x 50 percent) + (($513.65 x 86,460 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: ($513.65 x 47 x 50 percent) + ($513.65 x 47 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: ($177.50 x 645 x 50 percent) + ($177.50 x 645 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: ($177.50 x 15,732 x 50 percent) + ($177.50 x 15,732 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 $112. CalWORKs BY: ($112.00 x 189,140 x 50 percent) + ($112.00 x 189,140 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: [($177.50 x 36 x 50 percent) x 50 percent] + ($177.50 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: ((44 + 7) x 50 percent x $85.00) + ((44 + 7) x 50 percent x $85.00 x 2 months)
- 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: (4,938 x 50 percent x $53.03) + (4,938 x 50 percent x $53.03 x 2 months)
- 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 4,938 x 2)

FUNDING:

CalWORKs

- The funding for CalWORKs grants for the CY and the BY is 90.64 percent TANF, 6.86 percent General Fund (GF), and 2.50 percent county.
- The funding for CalWORKs administration for the CY and the BY is 94.51 percent TANF and 5.49 percent GF.

NACF and CFAP

- For the CY and the BY, the CalFresh funding is 50 percent federal, 35 percent GF, and 15 percent county funds. CFAP costs are 100 percent GF with 17.47 percent being Maintenance of Effort (MOE) eligible in the CY and 15.30 percent MOE eligible in the BY.

Prospective Budgeting

CHANGE FROM THE APPROPRIATION:

CalWORKs

The increase to the CalWORKs grant costs and administrative savings in the CY is a result of a slightly higher caseload growth than projected in the Appropriation.

NACF and CFAP

In the CY, the NACF and CFAP administrative savings were held to the Appropriation. The decrease in the CY for CFAP grant costs is associated with a lower caseload growth than projected in the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The CalWORKs grant costs and administrative savings reflect a decrease to the CalWORKs caseload over the CY.

The BY increase in NACF and CFAP administrative savings and CFAP grant costs reflect an increase in projected caseload over the CY.

EXPENDITURES:

(in 000's)

ITEM 101 – CalWORKs Grants	2010-11	2011-12
	Grant	Grant
Total	$103,285	$102,793
Federal	93,617	93,171
State	7,086	7,052
County	2,582	2,570
Reimbursements	0	0

ITEM 101 – CalWORKs Administration	2010-11	2011-12
	Admin.	Admin.
Total	-$67,829	-$67,498
Federal	-64,105	-63,792
State	-3,724	-3,706
County	0	0
Reimbursements	0	0

Prospective Budgeting

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 – CFAP Grants	2010-11	2011-12
	Grant	Grant
Total	$1,809	$2,056
Federal	0	0
State	1,809	2,056
County	0	0
Reimbursements	0	0

ITEM 141 – CalFresh Administration	2010-11	2011-1
	Admin.	Admin.
Total	-$124,305	-$142,034
Federal	-62,153	-71,017
State	-43,507	-49,712
County	-18,645	-21,305
Reimbursements	0	0

ITEM 141- CFAP Administration	2010-11	2011-12
	Admin.	Admin.
Total	-$1,716	-$1,868
Federal	0	0
State	-1,716	-1,868
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 U. S. 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 Fiscal Year (FY) 2009-10 Appropriation in the Current Year (CY).
- Based on the Summary Report of Assistance Expenditures (CA 800L and CA 800M) for FY 2009-10, the projected average monthly persons that are not TANF eligible is 22,994 for the CY and 22,881 for the Budget Year (BY).
- The overall CalWORKs caseload is projected to increase by 5.4 percent in the CY and decrease by 0.5 percent in the BY.
- Based on the CA 800L and CA 800M reports for FY 2009-10, the average grant per person is $152.45.
- Cal Learn Bonuses and Sanctioned grant costs for RNE recipients is projected to be $94,339 in the CY and $94,966 in the BY, based on actual caseload and expenditure data from FY 2009-10. See the “Cal Learn” Premise for more detail.
- Based on claims from the counties for FY 2009-10, the administration cost for RNEs was approximately $6.3 million.
- The percentage of persons that are TANF eligible (in mixed households) is 50.40 percent.
- The funds associated with persons that are TANF eligible are reflected in the Basic premises for grants, child care, and administration and employment services.
- RNE services costs are based on the ratio of FY 2008-09 actual RNE services expenditures to CalWORKs Basic Employment Services expenditure data (1.66 percent).

Recent Noncitizen Entrants

KEY DATA/ASSUMPTIONS (CONTINUED):

- The projected base expenditures for CalWORKs Basic Employment Services in the BY are $1,045,757,715.
- The total RNE services amount is multiplied by the percent of TANF eligible persons and shifted to the state-funded portion of the "CalWORKs Basic Employment Services" premise (refer to that premise for more detailed information regarding RNE services for mixed households).
- RNE child care costs are based on the ratio of FY 2008-09 actual RNE child care expenditures to CalWORKs Stage One Child Care expenditure data (0.46 percent).
- The projected base expenditures for Stage One CalWORKs Child Care in the BY are $649,202,452.
- The total RNE child care amount is multiplied by the percent of TANF eligible persons and shifted to state-funded portion of the "Stage One CalWORKs Child Care" premise (refer to that premise for more detailed information regarding RNE child care for mixed households).

METHODOLOGY:

- The child care and services costs were held to the FY 2009-10 Appropriation in the CY.
- The grant costs were calculated by multiplying the projected monthly recipients by the average grant per person by 12 months and then added to the projected Cal-Learn bonuses and sanctioned grants (BY: 22,881 x $152.45 x 12 + $94,966 = $42 million).
- The administration costs for the RNEs are based on actual expenditures from FY 2009-10 that have been adjusted for projected caseload growth. Of the total costs, 50.40 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.
- The services costs for the BY were calculated by multiplying the RNE services expenditure ratio by the projected CalWORKs Employment Services base expenditures for the BY and then multiplied by the percent of non-TANF eligibles (1.66 percent x $1,045,757,715 x 49.6 percent)
- The child care costs for the BY were calculated by multiplying the RNE child care expenditure ratio by the projected CalWORKs Stage One Child Care expenditures for the BY and then multiplied by the percent of non-TANF eligibles (0.46 percent x $649,202,452 x 49.6 percent).

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:

The increase in grant costs is primarily due to higher caseload projections than assumed in the Appropriation.

The decrease in administration costs is due to lower expenditures claimed by the counties.

There is no change for services and child care, as they were held to the Appropriation.

Recent Noncitizen Entrants

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in grant and admin costs is due to projected caseload decline.

The increase in services is due to an overall increase in Employment Services funding by 6.6 percent.

The change in child care is due to a decrease in the RNE child care expenditure ratio (from 0.48 percent to 0.46 percent).

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Grants	2010-11	2011-12
Total	$42,160	$41,955
Federal	0	0
State	40,052	39,857
County	2,108	2,098
Reimbursements	0	0

ITEM 101 - CalWORKs Services	2010-11	2011-12
Total	$7,654	$8,608
Federal	0	0
State	7,654	8,608
County	0	0
Reimbursements	0	0

Recent Noncitizen Entrants

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CalWORKs Administration	2010-11	2011-12
Total	$3,254	$3,238
Federal	0	0
State	3,254	3,238
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Stage One Child Care	2010-11	2011-12
Total	$1,554	$1,490
Federal	0	0
State	1,554	1,490
County	0	0
Reimbursements	0	0

13 Percent Grant Reduction Governor's Special Session

DESCRIPTION:

This premise reflects the impact of a 13 percent Maximum Aid Payment (MAP) reduction to the California Work Opportunity and Responsibility to Kids (CalWORKs) program as a result of the Governor's Special Session. This premise assumes the 13 percent MAP reduction will be enacted on March 1, 2011, and will be implemented on June 1, 2011.

IMPLEMENTATION DATE:

This premise assumes a June 1, 2011 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 13 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 14.7 percent.
- For Fiscal Year (FY) 2010-11 and FY 2011-12, approximately 2,500 and 5,300 CalWORKs cases (respectively) 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 is $24.95 per case per month.
- For FY 2011-12, approximately 3,300 cases will be removed from the Employment Services caseload as a result of becoming discontinued due to this MAP reduction.
- It is assumed there will be no administrative and services savings in the Current Year (CY).
- It is assumed the impacted caseload that will be subject to the grant reductions is approximately 582,971 in the CY and 465,176 in the Budget Year (BY).
- Under Quarterly Reporting/Prospective Budgeting (QR/PB) some cases will experience a delay in receiving their grant reduction. For the CY, it is assumed that one-third (193,810) of the cases will receive a reduced grant amount in June 2011.
- Due to QR/PB, it is assumed that two-thirds (314,187) of the impacted cases in the first month of the BY will receive their reduced grant amount, with full implementation of grant reductions reached in August 2011.

13 Percent Grant Reduction
Governor's Special Session

METHODOLOGY:

- The grant savings is calculated by multiplying the decrease in the average CalWORKs grant by the total CalWORKs caseload.
- The services savings is calculated by removing the impacted caseload from the Employment Services 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 90.50 percent Temporary Assistance for Needy Families (TANF), seven percent General Fund (GF) and 2.5 percent county funds.

The CalWORKs services savings are 100 percent TANF.

The CalWORKs administrative savings are 94.42 percent TANF funds and 5.58 percent GF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a full year of implementation in the BY.

EXPENDITURES:

(in 000's)

Item 101 – CalWORKs (TANF) Grant Savings	2010-11	2011-12
	Grants	Grants
Total	-$14,274	-$399,725
Federal	-12,918	-361,751
State	-999	-27,981
County	-357	-9,993
Reimbursements	0	0

13 Percent Grant Reduction
Governor's Special Session

EXPENDITURES (CONTINUED):

Item 101 –

CalWORKs (TANF) Services Savings

	2010-11 Services	2011-12 Services
Total	$0	-$13,119
Federal	0	-13,119
State	0	0
County	0	0
Reimbursements	0	0

Item 101 –

CalWORKs (TANF) Administrative Savings

	2010-11 Admin.	2011-12 Admin.
Total	$0	-$2,140
Federal	0	-2,021
State	0	-119
County	0	0
Reimbursements	0	0

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48-Month Time Limit
Governor's Special Session

DESCRIPTION:

This premise reflects the impact of a 48-month time limit to recipients in the California Work Opportunity and Responsibility to Kids (CalWORKs) program as a result of the Governor's Special Session. The time limit applies to all cases that have received 48 months of aid, with some exceptions. However, adults meeting federal work participation requirements may continue to receive benefits beyond 48 months for eligible children through the Modified Safety Net program. The exceptions to this new time limit are cases in which the adult is not receiving CalWORKs and 1) is receiving Supplemental Security Income (SSI) payments or 2) is a non-needy caretaker relative.

With this proposal, the existing CalWORKs time limit exemptions and extenders will be eliminated and replaced with the minimal federal time limit exemption. Months that were previously exempted from time limits will now be counted, resulting in cases reaching their maximum time on aid as of July 1, 2011.

This premise assumes the statute for the 48-month time limit will be enacted on March 1, 2011, and implemented on July 1, 2011.

IMPLEMENTATION DATE:

This premise assumes a July 1, 2011, implementation date.

KEY DATA/ASSUMPTIONS:

- In order to implement this proposal, statutory changes are required.
- Based on the Longitudinal Data Base and Medi-Cal Eligibility Data System matched to Federal Fiscal Year (FFY) 2009 Research and Development Enterprise Project data, it is assumed that in Fiscal Year (FY) 2011-12 an estimated 147,100 cases have been on CalWORKs for 48 months or longer and will be impacted by this new policy:
    - 52,300 Safety Net cases,
    - 42,900 cases with an adult (includes sanction and exempt cases).
    - 50,100 Child-only cases (undocumented parents),
    - 1,800 Child-only cases (drug/fleeing felon parents),
- Of the 147,100 CalWORKs cases that have received aid for 48 months or more, it is estimated that approximately 115,000 CalWORKs cases will not fully meet the work participation requirements and therefore will be discontinued from aid on July 1, 2011:
    - 26,500 CalWORKs cases with an adult (includes sanction and exempt cases),
    - 36,600 Safety Net cases,
    - 51,900 child-only cases (50,100 cases with undocumented adults receiving child-only benefits and 1,800 drug/fleeing-felon cases receiving child-only benefits).

48-Month Time Limit
Governor's Special Session

KEY DATA/ASSUMPTIONS (CONTINUED):

- Of the remaining cases, it is assumed that approximately 32,100 cases will meet the federal work participation requirements and will maintain eligibility to receive aid for their children in the Modified Safety Net program:

  CalWORKs Adults

  - It is assumed that approximately 16,400 CalWORKs cases with an adult (including sanction and exempt cases) are or will begin to fully meet the federal work participation requirements in order to continue to receive aid for their children through the Modified Safety Net program.
  - Of the 16,400 cases, based on FFY 2009 Work Participation data of "All Families," it is estimated approximately 6,700 cases were previously meeting the work participation requirements and will continue to do so to receive Modified Safety Net benefits.
  - Of the 16,400 cases, it is assumed that approximately 9,700 cases are participating at some level and will increase their participation to meet federal work participation requirements and continue in the Modified Safety Net program.

  Modified Safety Net

  - It is assumed that approximately 15,700 Safety Net cases are or will begin to fully meet the federal work participation requirements in order to continue to receive aid for their children.
  - Of the 15,700 cases, based on FFY 2009 work participation rate data of Safety Net cases, it is estimated that approximately 9,000 cases were previously meeting the work participation requirements and will continue to do so to receive Modified Safety Net benefits.
  - It is assumed that approximately 6,700 cases that are participating at some level will increase their participation to meet federal work participation requirements and continue in the Modified Safety Net program.

- The grant savings are assumed to be $520.28 per month for CalWORKs cases with an adult (includes sanction and exempt cases), $477.98 per month for Safety Net cases and $466.94 per month for child-only cases (based on the current Maximum Aid Payment levels before the 13 percent reduction).
- Of the 16,400 CalWORKs cases that will fully meet work participation requirements and continue in the Modified Safety Net program, it is assumed that approximately 12,400 cases have an aided adult and these cases will have the adult portion of the grant removed, which will result in a grant savings of approximately $133.00 per month. The remaining cases are assumed to have a sanctioned adult and already have the adult portion of the grant removed.

48-Month Time Limit
Governor's Special Session

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is assumed that grant savings due to additional earnings resulting from increased work participation will be approximately $5.5 million for CalWORKs cases with an adult (includes sanction and exempt cases) and $10.0 million for Safety Net cases.
- The estimate assumes services savings for the 26,500 CalWORKs cases with an adult (includes sanction and exempt cases) that are assumed will not fully meet work participation requirements and will be discontinued from the program.
- The estimate assumes administrative savings for cases that will be discontinued. Administrative costs for mid-quarter activities are $8.63 per case per month and for quarterly activities is $24.95 per case per month for a total of $33.58.
- Administrative savings are netted against the cost to provide Notice of Action (NOA) to cases that will be discontinued as a result of this policy and continued administrative costs to track time on aid of child-only cases: approximately $1.3 million.
- In addition, it is assumed that written notifications will be provided in the Current Year (CY) to inform all CalWORKs recipients of this policy change. Additional administrative time to review time on aid of child-only cases is also budgeted in the CY. See the CalWORKs Reduction – Mailing/Notifications and Time Limit Reviews premises for more information.

METHODOLOGY:

Grants

- For the BY, grant savings are calculated by multiplying the average monthly cases that are discontinued by the cost per case plus the adult grant savings plus the grant savings due to additional earnings as a result of increased work participation.

Services

- The services savings are calculated by subtracting the CalWORKs cases that have reached the 48-month time limit from the caseload used to determine Employment Basic Services costs.

Administration

- The administration savings for the BY are calculated by multiplying the affected caseload by the on-going administration costs. The administration savings are offset by administration costs for the written notifications of discontinuance and tracking time on aid of child-only cases.

FUNDING:

The funding for the grant savings is 62.1 percent federal Temporary Assistance to Needy Families (TANF), 35.4 percent state general fund (GF) and 2.5 percent county in the BY.

The funding for the services savings is 100 percent TANF in the BY.

The funding for the administration savings is 22.3 percent TANF and 77.7 GF in the BY.

48-Month Time Limit
Governor's Special Session

CHANGE FROM THE APPROPRIATION:

This is a new premise.

Reason for year-to-year change:

This premise implements in the BY.

EXPENDITURES:

(in 000's)

101 – CalWORKs Grants	2010-11	2011-12
Total	$0	-$701,269
Federal	0	-435,675
State	0	-248,060
County	0	-17,534
Reimbursements	0	0

101 – CalWORKs Services	2010-11	2011-12
Total	$0	-$104,761
Federal	0	-104,761
State	0	0
County	0	0
Reimbursements	0	0

101 – CalWORKs Admin	2010-11	2011-12
Total	$0	-$45,019
Federal	0	-10,029
State	0	-34,990
County	0	0
Reimbursements	0	0

Reassessment Eligibility Relief - AB 1905

DESCRIPTION:

Currently, state law mandates that there must be annual reassessments of foster family homes for both relative and nonrelative extended family members. Anytime a foster family is in the process of undergoing an annual reassessment visit that may result in a late reassessment completion, families with Aid to Families with Dependent Children-Foster Care (AFDC-FC) payments are suspended until reassessment is completed. While their AFDC-FC payments are suspended, foster families have no other recourse except to file for California Work Opportunity and Responsibility to Kids (CalWORKs) aid. Counties must then process CalWORKs applications, enroll families in the program, and then disenroll them once AFDC-FC payments are restored after the home reassessment is complete.

Pursuant to the provisions of Assembly Bill (AB) 1905, this premise reflects the requirement that the California Department of Social Services (CDSS) allow foster family relative or nonrelative extended family member to continue to receive AFDC-FC payments during their annual home reassessment process. This bill requires that payments to foster family relative or nonrelative extended family member will not be delayed or terminated due to late completion in the annual home reassessment process. The existing approval shall remain in force. This bill eliminates the need for counties to enroll these foster families in the CalWORKs program, and then disenroll them once AFDC-FC payments are restored.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2011.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code (W&IC) section 11402.4 (AB 1905 Chapter 562, Statutes of 2010)

Foster Care – 101

- This premise assumes implementation in January 2011 which will result in six months of cost to AFDC-FC in Fiscal Year (FY) 2010-11 and a full year of cost in FY 2011-12.
- This AFDC-FC estimate reflects costs for only the 56 non-Title IV-E Waiver counties. Title IV-E Waiver cost are reflected in the Title IV-E Waiver premise. For more information please see the Title IV-E Waiver premise write-up.
- The AFDC-FC caseload presumed to be eligible is 7.5 percent of the Child Welfare Service (CWS) services-only cases based on a six month period ending June 2010.
- Federally eligible cases are projected to account for 100 percent of total CWS services-only placements.
- This AFDC-FC estimate assumed that a total of 319 AFDC-FC relative cases per month will have a late home reassessment, of which 148 cases per month will impact the 56 non-Title IV-E Waiver counties. The remaining cases are reflected in the item 153 Title IV-E Waiver premise.

Reassessment Eligibility Relief - AB 1905

KEY DATA/ASSUMPTIONS (CONTINUED):

- Federal 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 2010. The projected federal grant is $714.92.
- Based on actual Foster Care (FC) expenditure data the projected administrative grant is $94.34 per case.

CalWORKs – 101

- This bill eliminates the need for counties to enroll foster families in the CalWORKs program while processing an annual reassessment in foster care. As a result, it will generate administrative and grant savings to CalWORKs.
- This premise assumes implementation in January 2011 which will result in six months of savings to CalWORKs in FY 2010-11 and a full year of savings in FY 2011-12.
- It is assumed that approximately 319 cases per month will not enter CalWORKs as a result of those cases staying in foster care during their annual reassessment.
- It is assumed that the average CalWORKs grant savings is approximately $345 per case.
- It is assumed that the monthly CalWORKs administrative savings is $33.58 per case.

METHODOLOGY:

Foster Care – 101

The FC assistance payments for this premise is the product of projected federal case months multiplied by the average grant, as identified above.

FY 2010-11: ($714.92 per case x 148 cases x 6 months = $0.634 million)
FY 2011-12: ($714.92 per case x 148 cases x 12 months = $1.27 million)

Foster Care – 141

The FC administrative cost for this premise is the product of projected federal case months multiplied by the average grant, as identified above.

FY 2010-11: ($94.34 per case x 148 cases x 6 months = $0.084 million)
FY 2011-12: ($94.34 per case x 148 cases x 12 months = $0.167 million)

CalWORKs – 101

The total CalWORKs grant savings as a result of AB 1905 is approximately $0.66 million in FY 2010-11 and approximately $1.3 million in FY 2011-12.

FY 2010-11: ($345 per case x 319 cases x 6 months = $0.66 million)
FY 2011-12: ($345 per case x 319 cases x 12 months = $1.32 million)

Reassessment Eligibility Relief - AB 1905

METHODOLOGY (CONTINUED):

The total CalWORKs administrative savings as a result of AB 1905 is approximately $0.06 million in FY 2010-11 and approximately $0.13 million in FY 2011-12.

FY 2010-11: ($33.58 EW x 319 cases x 6 months = $0.06 million)
FY 2011-12: ($33.58 EW x 319 cases x 12 months = $0.13 million)

FUNDING:

Foster Care – 101

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 50 percent Federal Medical Assistance Percentage (FMAP) for those cases meeting eligibility criteria. Funding for the federal program costs is 40 percent General Fund (GF) and 60 percent county.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the American Recovery and Reinvestment Act 2009 (ARRA) results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

Foster Care – 141

Costs for FC administrative activities are shared at 50 percent FFP with the remainder split at 70 percent GF and 30 percent county.

CalWORKs – 101

Funding for CalWORKs grants are 97.5 percent federal Temporary Assistance for Needy Families (TANF) funds and 2.5 percent county share. Funding for CalWORKs administration are 100 percent federal TANF funds.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This change reflects a full year of implementation.

Reassessment Eligibility Relief - AB 1905

Expenditures:

(in 000's)

Foster Care - Item 101 Grants	2010-11	2011-12
Total	$634	$1,266
Federal	317	633
State	127	253
County	190	380
Reimbursements	0	0

Foster Care - Item 141 Admin	2010-11	2011-12
Total	$84	$167
Federal	42	84
State	29	58
County	13	25
Reimbursements	0	0

CalWORKs – Grants	2010-11	2011-12
Total	-$660	-$1,321
Federal	-644	-1,288
State	0	0
County	-16	-33
Reimbursements	0	0

CalWORKs – Admin	2010-11	2011-12
Total	-$65	-$129
Federal	-61	-122
State	-4	-7
County	0	0
Reimbursements	0	0

Single Allocation Unallocated Reduction Governor's Special Session

DESCRIPTION:

This premise reflects the proposed Budget Action to maintain the reduction to the California Work Opportunity and Responsibility to Kids (CalWORKs) single allocation funding included in the 2009 and 2010 Budget Acts of $376.9 million. This reduction is being continued as an unallocated reduction (the current reduction is tied to the CalWORKs Short Term Reforms) and therefore counties will need to re-prioritize the use of the single allocation funds to serve clients in the most efficient and effective manner. The single allocation funds appropriated to the counties provide funding for CalWORKs employment services, child care, and county administration.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011, pending legislative approval.

KEY DATA/ASSUMPTIONS:

- Assumes a $376.9 million unallocated reduction to the CalWORKs single allocation funding.
- Counties will still maintain the flexibility to redirect funding, both from and to, the amounts appropriated for Mental Health services and Substance Abuse services, from and to other CalWORKs employment services that are necessary for individuals to participate in welfare-to-work activities, as provided in Welfare and Institutions Code (W&IC) section 11325.71.
- The remaining Short Term Reforms flexibility provided to counties in W&IC section 11329.5 will sunset on June 30, 2011.

METHODOLOGY:

The proposed CalWORKs Budget Action includes a reduction of $376.9 million in TANF funds from the Fiscal Year 2011-12 county single allocation funding.

FUNDING:

The funding is 100 percent TANF funds.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a BY only item.

Single Allocation Unallocated Reduction Governor's Special Session

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Services, Admin, & Child Care	2010-11	2011-12
Total	0	-$376,850
Federal	0	-376,850
State	0	0
County	0	0
Reimbursements	0	0

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 re-implemented on July 1, 1999.

KEY DATA/ASSUMPTIONS:

It is assumed that this funding is not available in FY 2010-11 or in FY 2011-12.

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:

There is no change.

EXPENDITURES:

(in 000's)	2010-11	2011-12
Total	$0	$0
Federal	0	0
State	0	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 the Current Year (CY).
- The basic funding for these areas in the Budget Year (BY) is based on the following assumptions:
    - The base funding for CalWORKs Services Basic is $981.2 million for Fiscal Year (FY) 2010-11 based on the Appropriation.
    - The FY 2011-12 employment services caseload is projected to grow 6.58 percent above the FY 2010-11 budgeted caseload.
    - Staff development costs are $5.3 million, based on FY 2008-09 actual expenditures.
    - The Wagner-Peyser reimbursement amount is $2.7 million.
    - An ongoing augmentation of $90 million is subtracted and reflected in the “Previous CalWORKs Reform Efforts” premise.
    - Time limit savings are $161.1 million.
    - The CalWORKs Services Basic expenditures for Recent Noncitizen Entrants (RNEs) are $17.4 million for the BY. Of this, $8.7 million reflects the General Fund (GF) costs for RNE recipients in mixed households (who are eligible to receive Temporary Assistance for Needy Families, or TANF, funds).
    - Cal Learn RNEs are funded with GF in the amount of $429,029.
    - 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.

METHODOLOGY:

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

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

METHODOLOGY (CONTINUED):

For the BY, the expected caseload was computed based on actual caseload data, adjusted to account for the return of previously-exempt individuals returning to work activities after the expiration of the young children exemption that expires July 1, 2011. The projected growth between the budgeted caseload from FY 2010-11 and the expected caseload for FY 2011-12 is applied to the base funding from FY 2010-11 to get a new base funding for FY 2011-12:
$981.2 x 1.0658 = $1,045.8 million

The base funding for the BY was increased for Staff Development expenditures, the Single Allocation adjustment, RNE services costs (from TANF eligible households), Cal Learn RNE costs, and contract costs:
$1,045.8 + 5.3 + 191.9 + 8.7 + 0.43 + 3.9 = $1,256

The base funding for the BY was also decreased for time limit savings, Previous CalWORKs Reform Efforts, the Wagner-Peyser reimbursement, and the total amount of RNE services:
$1,256 - 161.1 - 90 - 2.7 – 17.4 = $984.8

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:

The increase from CY to BY is due primarily to the 6.58 percent caseload increase.

EXPENDITURES:

(in 000's)	2010-11	2011-12
Total	$923,864	$984,774
Federal	895,846	975,026
State	8,018	9,748
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 $376.9 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 (WTW) services in 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 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 $376.9 million in TANF funds for FY 2010-11. The reduction is split $215.34 million to child care services and a reduction of $161.51 million to employment services.
- Based on current average child care costs, it is assumed that approximately 12,869 cases/families will lose child care/employment services as a result of the reduction discussed above. Of the 12,869 cases/families, approximately 5,384 are families with young children.
- The estimate assumes that of those cases/families participating 30 hours or more, 100 percent will continue to work and receive child care services.
- The estimate assumes that of those cases/families participating at some level, the following will occur: those participating one to nine 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.
- The additional grant cost per month for a family that was participating 10-19 hours is $163.54 and for a family participating 20-29 hours is $347.56. There is no additional cost for a family that was participating less than 10 hours.

Reduction in Employment Services and Child Care

METHODOLOGY:

- The CalWORKs Budget Action includes a reduction of $376.9 million in TANF funds for FY 2010-11. The reduction is split $215.34 million to child care services and a reduction of $161.51 million to employment services.
- Approximately 12,869 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 $5.5 million as noted below.

Work Participation	Additional Grant Cost (per month)	Cases with Young Children	All Other Cases	Total Cases	Increased Grant Costs
1-9 hours	$0	2,950	7,485	10,435	$0
10-19 hours	$163.54	1,592		1,592	$3,124,759
20-29 hours	$347.56	581		581	$2,420,654
30 hours or more		0	0	0	$0
Total cases that lose child care – paid activities		5,123	7,485	12,608	$5,545,413
Total cases that lose child care – non paid activities		261		261	$0
Total cases that lose child care		5,384	7,485	12,869	$5,545,413

FUNDING:

Reduction – the funding is 100 percent TANF funds.

Grant Savings – the funding is 90.5 percent TANF, 7.0 percent GF, and 2.5 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change to the Employment Services and Child Care reduction in the CY.

For grants the number of families whose grant would be impacted by losing child care as a result of the reductions is lower than assumed in the Appropriation resulting in decreased grant costs in the CY.

Reduction in Employment Services and Child Care

REASON FOR YEAR-TO-YEAR CHANGE:

It is assumed that the $376.9 million reduction is restored to Employment Services and Child Care in the BY.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Services	2010-11	2011-12
Total	-$161,507	$0
Federal	-161,507	0
State	0	0
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Stage One Child Care	2010-11	2011-12
Total	-$215,343	$0
Federal	-215,343	0
State	0	0
County	0	0
Reimbursements	0	0

ITEM 101 - CalWORKs Grants	2010-11	2011-12
Total	$5,546	$0
Federal	5,020	0
State	387	0
County	139	0
Reimbursements	0	0

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Employment Services Ramp-Up

DESCRIPTION:

This premise reflects the employment services costs, including case management, of preparing for the expiration of the short-term reform exemptions in the Temporary Assistance for Needy Families (TANF)/California Work Opportunity and Responsibility to Kids (CalWORKs) program enacted with Assembly Bill (AB) X4 4. 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. The short-term reforms 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 returning caseload. The California Department of Social Services (CDSS) proposes that 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:

The short term exemptions enacted in AB X4 4 will expire on June 30, 2011 and cases that were considered exempt from welfare-to-work activities per AB X4 4 will be required to participate.

METHODOLOGY:

- Funding has been restored in the Current Year (CY) to sufficiently allow counties to ramp-up staffing and services in order to serve cases that are returning to welfare activities.
- Because 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, $46.7 million has been shifted to CalWORKs Employment Services.

FUNDING:

This proposal is funded with 100 percent TANF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a CY only proposal.

Employment Services Ramp-Up

EXPENDITURES:

(in 000's)

101 – CalWORKs Services

	2010-11	2011-12
Total	$46,678	$0
Federal	46,678	0
State	0	0
County	0	0
Reimbursements	0	0

101 – CalWORKs Child Care

	2010-11	2011-12
Total	$-46,678	$0
Federal	-46,678	0
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.

FUNDING:

The funding is 100 percent TANF.

Previous CalWORKs Reform Efforts

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

101 – CalWORKs Services	2010-11	2011-12
	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 ($440.25) for Safety Net cases is calculated using actual data reported on the July 2009 to June 2010 CA 800 and CA 237 reports.
- The average monthly Safety Net caseload is 50,703 in the CY.
- The average monthly Safety Net caseload is 52,295 in the BY.

Services

- The funding for the CY is being held to the Fiscal Year (FY) 2009-10 Budget Act Appropriation.
- The funding for the BY reflects an expected 7.79 percent growth in the Safety Net services caseload from FY 2008-09 to FY 2011-12.
- Safety Net services expenditures from FY 2008-09 were $5,023,902.

CalWORKs Safety Net Program

KEY DATA/ASSUMPTIONS (CONTINUED):

Administration

- The Safety Net caseload was approximately 8.85 percent of the CalWORKs All Family caseload for FY 2009-10 and the Safety Net share of expenditures from the July 2009 to June 2010 County Expense Claim (CEC) totaled $22.4 million.
- The CY and the BY are based on actual expenditures plus caseload growth for FY 2010-11 and FY 2011-12.
- It is assumed that the Safety Net caseload will increase 3.55 percent in FY 2010-11 and 3.14 percent in FY 2011-12.

Child Care

- The funding for the CY is held to the FY 2009-10 Budget Act Appropriation.
- The expected monthly Safety Net child care caseload for the BY is 1,746.
- The cost per case for Safety Net child care is $168.04, based on actual expenditures from FY 2008-09.

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 (CY: 50,703 x $440.25 x 12 = $268 million. BY: 52,295 x $440.25 x 12= $276 million).

Services

Safety Net services costs for the BY are calculated by multiplying prior expenditures by expected caseload growth ($5,023,902 x 1.0779).

Administration

For the CY and the BY, Safety Net administration costs are based on actual expenditures for the period July 2009 to June 2010 plus caseload growth for FY 2010-11 and FY 2011-12.
(CY: $22.4 million + 3.55 percent = $23.2 million. BY: $23.2 million + 3.14 percent = $23.9 million).

Child Care

Safety Net child care costs for the BY are calculated by multiplying the expected monthly caseload times the cost per case times twelve months (1,746 x $168.04 x 12).

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.

CalWORKs Safety Net Program

CHANGE FROM THE APPROPRIATION:

The decrease in grant costs in the CY is due to lower caseload growth than anticipated in the Appropriation.

The decrease in administrative costs is due to lower expenditures claimed by the counties and lower caseload than previously projected.

There is no change to Services and Child Care costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in grant and administrative costs is due to caseload growth.

The decreases in services and child care costs are due to a decrease in actual expenditures during FY 2008-09 and slower caseload growth for Safety Net than previously projected.

EXPENDITURES:

(in 000's)

ITEM 101 - CalWORKs Grants	2010-11	2011-12
Total	$267,860	$276,273
Federal	0	0
State	261,163	269,366
County	6,697	6,907
Reimbursements	0	0

CalWORKs Services	2010-11	2011-12
Total	$6,714	$5,415
Federal	0	0
State	6,714	5,415
County	0	0
Reimbursements	0	0

CalWORKs Safety Net Program

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - CalWORKs Admin	2010-11	2011-12
Total	$23,165	$23,893
Federal	0	0
State	23,165	23,893
County	0	0
Reimbursements	0	0

CalWORKs Stage One Child Care	2010-11	2011-12
Total	$4,245	$3,520
Federal	0	0
State	4,245	3,520
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 $48,131,605.

METHODOLOGY:

- The Current Year (CY) amount was held to the Appropriation of $49 million.
- Due to the flexibility given to counties to redirect funding allotted for Substance Abuse Services to and from CalWORKs Employment Services funding in FY 2009-10, the methodology for the BY funding will not consider actual expenditures for that year.
- The BY amount is calculated by increasing the FY 2010-11 funding amount by the average annual percentage growth rate of Substance Abuse expenditures from FY 2006-07 to FY 2008-09.
    - 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 5.23 percent.
    - The average annual increase from FY 2006-07 to FY 2008-09 was 0.90 percent.
- The FY 2011-12 budgeted amount is calculated as follows:
    - $49 million (FY 2010-11 funding) x 1.0090 (percent increase) = $49.4 million

Substance Abuse Services

FUNDING:

Funding for this premise is 100 percent General Fund and countable toward the TANF maintenance of effort requirement.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects an anticipated growth in Substance Abuse services spending.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$49,003	$49,444
Federal	0	0
State	49,003	49,444
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 $66,181,699.

METHODOLOGY:

- The Current Year (CY) expenditures were held to the Appropriation of $71.9 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.
- Due to the flexibility given to counties to redirect funding allotted for Mental Health Services to and from CalWORKs Employment Services funding in FY 2009-10, the methodology for the BY funding will not consider actual expenditures for that year.
- The BY amount is calculated by increasing the FY 2010-11 funding amount by the average annual percentage growth rate of Mental Health expenditures from FY 2006-07 to FY 2008-09.
    - 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 3.88 percent
    - The average annual increase from FY 2006-07 to FY 2008-09 was 4.25 percent.
- The FY 2011-12 budgeted amount is calculated as follows:

  $71.9 million (FY 2010-11 funding amount) x 1.0425 (percent increase) = $75 million

Mental Health Services

FUNDING:

The funding for this premise is 100 percent General Fund and is countable toward the TANF maintenance of effort requirement.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change in the BY reflects an anticipated growth in expenditure levels.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$71,920	$74,973
Federal	0	0
State	71,920	74,973
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 31 clinics operating in FY 2010-11.
- There are 36 clinics anticipated in FY2011-12.

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 appropriation assumed that all 36 clinics would be in operation for CY, however only 31 clinics remained in operation.

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)

	2010-11	2011-12
Total	$1,673	$1,943
Federal	0	0
State	1,673	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. Separate premise items are included for increased cost in Basic Assistance and Non-Recurrent Short Term Benefits.

- California will use FFY 2007 as the base year for ECF subsidized employment.

- FFY 2007 September quarter base expenditures for subsidized employment are $9.3 million ($5.7 million from CWD expenditures and $3.6 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 the FFY 2010 September quarter reflect actual expenditures for benefits, wages, and taxes as separately claimed on the County Expense Claims (CEC) and projections from counties to reflect any expenditures that may be reported after September 2010, including Child Care. 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 2010 September quarter expenditures for subsidized employment are projected to be approximately $260.6 million ($256.2 million from CWD expenditures and $3.8 million for CCC work study and job development programs).
- The FFY 2007 September base quarter expenditures will be compared to the projected September quarter FFY 2010 expenditures.
- ARRA ECF Subsidized Employment funds are only available for expenses incurred through September 30, 2010.

Subsidized Employment – Grant Savings/Administrative Savings

- Due to subsidized employment opportunities, some cases are working more resulting in reduced grant and/or case discontinuance. In FY 2010-11, the premise assumes grant savings of approximately $11 million and $115,000 in administrative savings.

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 2010-11, the counties will receive approximately $3 million to meet subsidized employment base expenditures.

METHODOLOGY:

- The projected subsidized employment ECF included in this premise reflects actual expenditures for benefits, wages, and taxes as separately claimed on the County Expense Claims (CEC) and projections from counties that include any expenditure that may be reported after September 2010 including Child Care.
- Of the $201.04 million total amount of ECF Subsidized Employment, $15 million is used to offset GF in the CalWORKs Program.

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

FUNDING:

For the Current Year (CY), the ARRA program funds are 100 percent ECF funds. The grant savings are 97.50 percent TANF, and 2.50 percent county. The administrative savings are 100 percent TANF.

CHANGE FROM THE APPROPRIATION:

This premise only includes the September 2010 quarter while the Appropriation assumed that ARRA funds will be extended through June 30, 2011. Since no legislative action had taken place to extend ARRA, this premise ended on September 30, 2010.

REASON FOR YEAR-TO-YEAR CHANGE:

ARRA funds are not available in the Budget Year.

EXPENDITURES:

(in 000's)

	2010-11 TANF ECF	2011-12 TANF ECF
Total	$201,040*	$0
Federal	201,040*	0
State	0	0
County	0	0
Reimbursements	0	0

	2010-11 Grant Savings	2011-12 Grant Savings
Total	-$11,268	$0
Federal	-10,986	0
State	0	0
County	-282	0
Reimbursements	0	0

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

EXPENDITURES (CONTINUED):

(in 000's)

	2010-11 Admin Savings	2011-12 Admin Savings
Total	-$115	$0
Federal	-115	0
State	0	0
County	0	0
Reimbursements	0	0

	2010-11 Services	2011-12 Services
Total	$3,009	$0
Federal	1,518	0
State	1,491	0
County	0	0
Reimbursements	0	0

* $186.04 million ECF will be provided to the counties to reimburse subsidized employment expenditures and the remainder will be used to offset TANF funds in the CalWORKs program.

American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds Diversion Base

DESCRIPTION:

This premise reflects additional funding to fully meet the diversion base expenditures of the counties. Pursuant to Chapter 4, Statutes of 2009 Fourth Extraordinary Session, Assembly Bill (AB) X4 4 authorized the California Department of Social Services to apply for American Recovery and Reinvestment Act (ARRA) Emergency Contingency Funds (ECF). In addition, the statute requires the state to pay counties for the base year costs of the counties needed to qualify for ECF, not to exceed the amount budgeted for purposes of Section 11322.63 in the Fiscal Year (FY) 2008-09 and the associated grant savings.

KEY DATA/ASSUMPTIONS:

- For Federal Fiscal Year (FFY) 2007, county California Work Opportunity and Responsibility to Kids (CalWORKs) diversion expenditures were $1,585,000 (an average of $396,250 per quarter).

- For the September 2010 quarter of FY 2010-11, the projected CalWORKs diversion expenditures are approximately $93,750.

METHODOLOGY:

The amount of funding required in FY 2010-11 to meet the diversion base expenditures is $303,000 ($396,250 less $93,750).

FUNDING:

This premise is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The Appropriation assumed that the ARRA program would be extended through June 30, 2011. Since no federal legislative action had taken place to extend ARRA, this premise ended on September 30, 2010.

REASON FOR YEAR-TO-YEAR CHANGE:

There are no funds in the Budget Year due to the expiration of ARRA.

American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds

Diversion Base

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$303	$0
Federal	0	0
State	303	0
County	0	0
Reimbursements	0	0

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, the unexpended performance incentive balance was $2.93 million.

METHODOLOGY:

It is anticipated that the balance available in FY 2010-11 will be $2.93 million. There will be no remaining funds available in FY 2011-12.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

The Appropriation assumed that all funds would be spent in FY 2009-10.

REASON FOR YEAR-TO-YEAR CHANGE:

It is projected that there will be no remaining funds available in FY 2011-12.

County Performance Incentives

EXPENDITURES:

(in 000's)

	2010-11 Services	2011-12 Services
Total	$2,930	$0
Federal	2,930	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)

	2010-11	2011-12
	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) 2010-11 and FY 2011-12: 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)

	2010-11	2011-12
	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.

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 2010-11	FY 2011-12
CCC	$ 8.39 million	$ 8.39 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.

FUNDING:

This premise is funded with TANF and Emergency Contingency Funds.

CHANGE FROM THE APPROPRIATION:

The decrease in the Current Year is due to the assumption in the Appropriation that American Recovery and Reinvestment Act (ARRA) would be extended and that California would receive $3.95 million in additional TANF funds for the CCC's work study and job development program. ARRA was not extended, which decreased the total TANF Pass-Through by $3.95 in the CY.

TANF Pass-Through for State Agencies

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$38,375	$38,375
Federal	38,375	38,375
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.
- The projected average monthly caseload for Cal Learn is 11,902 in Fiscal Year (FY) 2010-11 and 12,969 in FY 2011-12.
- 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 (488 in FY 2010-11 and 532 in FY 2011-12) represents 4.1 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 2009-10.
- The sanctioned grant cost for the Current Year (CY) is $461 per month. These rates are based on the Maximum Aid Payment (MAP) for an assistance unit (AU) of two minus the $100 sanction.
- The sanctioned grant cost for the Budget Year (BY) is $461.

Cal Learn

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on the actual FY 2009-10 caseload, as reported on the Stat 45 Reports, it is assumed that 5.9 percent of the Cal Learn participants receive the $100 bonus and 1.3 percent receives the $500 bonus.
- 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 the BY is $2,716 per case per year for all activities performed by the case manager. The rate is based on FY 2009-10 case management expenditures divided by the total Cal Learn caseload.
- In the BY it is assumed that 17.6 percent of the total Cal Learn caseload will utilize transportation services at a cost of $39.42 per month per participant. The utilization rate is based on FY 2009-10 caseload as reported on the monthly Stat 45 Reports. The cost is based on FY 2009-10 county transportation expenditure claims.
- In the BY it is assumed that 2.9 percent of the total Cal Learn caseload will utilize ancillary services at a cost of $79.88 per month per participant. The utilization rate is based on FY 2009-10 caseload as reported on the monthly Stat 45 Reports. The cost is based on FY 2009-10 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 222 in FY 2010-11 represents 1.9 percent of the projected Cal Learn caseload and is funded with GF.
    - The sanctioned caseload of 488 in FY 2010-11 represents 4.1 percent of the projected Cal Learn caseload and is funded with GF.
- The funding for FY 2011-12 for services and administration costs are based on the following key data/assumption.
    - Automation costs for Cal Learn tracking is approximately $185,650.
    - The RNE caseload of 242 in FY 2011-12 represents 1.9 percent of the projected Cal Learn caseload and is funded with GF.
    - The sanctioned caseload of 532 in FY 2011-12 represents 4.1 percent of the projected Cal Learn caseload and is funded with GF.

METHODOLOGY:

- For FY 2010-11 and FY 2011-12, the case management cost was multiplied by the projected Cal Learn caseload to determine the annual cost.

Cal Learn

METHODOLOGY (CONTINUED):

- 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.
- The transportation cost was determined by multiplying the Cal Learn caseload by the transportation utilization rate of 17.60 percent, multiplied by the transportation cost per case of $39.42, and then multiplied by 12 months to determine the annual cost.
- The ancillary service cost was determined by multiplying the Cal Learn caseload by the ancillary utilization rate of 2.9 percent, multiplied by ancillary cost per case of $79.88, and then multiplied by 12 months to determine the annual cost.
- The utilization rates for the $100 (5.9 percent) and $500 (1.3 percent) bonuses were each multiplied by the total caseload, then multiplied by 12 to determine the annual costs. The 1.9 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 increase in grant bonus is due to the increase in percentage of those receiving the $100 and $500 bonus.

The increase in sanction costs is due to a slight increase in the sanction rate and the elimination of the 15.7 percent grant reduction proposal, along with an increase in case management costs, despite a slightly decreased Cal Learn caseload.

The CY services and administration costs increase is related to an increase in case management despite a slight decrease in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase in bonuses and sanction grants is due to a caseload increase.

The BY increase in services and admin costs is related to an increase in caseload.

CASELOAD:

	2010-11	2011-12
Average Monthly Caseload	11,902	12,969

Cal Learn

EXPENDITURES [1]:
(in 000's)

101 – CalWORKs Bonuses	2010-11	2011-12
Total	$1,738	$1,894
Federal	1,738	1,894
State	0	0
County	0	0
Reimbursement	0	0

101 – CalWORKs Sanctioned Grants	2010-11	2011-12
Total	$2,700	$2,943
Federal	0	0
State	2,700	2,943
County	0	0
Reimbursement	0	0

101 – CalWORKs Services & Administration	2010-11	2011-12
Total	$41,662	$45,382
Federal	39,558	43,088
State	2,104	2,294
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 FY 2010-11 CalWORKs caseload is projected to increase by 5.35 percent.
- For FY 2011-12, base funding is projected to be $813.9 million.
- The CalWORKs caseload is projected to decrease 0.5 percent in FY 2011-12.
- Staff development costs in FY 2011-12 are projected to be $11.8 million based on actual expenditures in FY 2009-10.
- Statewide Automated Welfare System (SAWS) development and testing interface costs are $129,000 in FY 2011-12.
- Administrative costs related to the Merced Automated Global Information Control (MAGIC) automation system are $272,000 in FY 2011-12.
- Electronic Benefit Transfer (EBT) savings is $10.6 million in FY 2011-12.
- Homeless Assistance costs are projected to be $0.8 million in FY 2011-12.
- Time limit savings are $28.3 million in FY 2011-12.
- Legacy Systems savings are $12.1 million in FY 2011-12.
- Contract costs are $4.1 million for FY 2011-12.
- In FY 2011-12, $6.5 million of the CalWORKs Administrative Basic expenditures are for Recent Noncitizen Entrants (RNE). Of the $6.5 million, $3.2 million reflects the federally eligible recipients in mixed households.

TANF/CalWORKs Administrative Costs – Basic

METHODOLOGY:

The basic funding for FY 2010-11 and FY 2011-12 is adjusted to reflect the projected change 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:

- For FY 2010-11 and FY 2011-12, the costs for RNE families are 100 percent General Fund (GF).
- For FY 2010-11 and FY 2011-12, contract costs are 100 percent TANF.
- For FY 2010-11 and FY 2011-12, all other costs are 94.42 percent TANF and 5.58 percent state Maintenance of Effort (MOE). Due to a federal audit exception, TANF hardship cases will be funded with MOE instead of TANF funds effective September 1, 2009.
- The GF is countable toward the state's MOE.

Note: W&IC 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 increase is due to a projected increase in the CalWORKs caseload in FY 2010-11.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the Budget Year is due a projected decrease in the CalWORKs caseload.

EXPENDITURES:

(in 000'S)

	2010-11 County Admin.	2011-12 County Admin.
Total	$776,249	$772,811
Federal	729,646	726,417
State	46,603	46,394
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	2010-11	2011-12
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 is required to establish and 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 have 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, 41.6 percent of the total pre-60 month cases that are subject to work participation (including sanction cases) are participating at some level.

Work Verification

KEY DATA/ASSUMPTIONS (CONTINUED):

- Of the cases that participate at some level, 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.
- 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:

- The CY and BY funding have been held to the Appropriation.
- The pre-60 month cases that are subject to work participation requirements are multiplied by 41.6 percent to determine the number of cases that are participating at some level. The participants are multiplied by 56 percent to determine the number of cases that will participate through work activities and multiplied by 44 percent to determine the cases that will participate in non work activities.
    - Of the cases 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).
    - The cases that participate in non work activities will require work verification at a cost of $8.7 million (15 minutes per case).
- The Safety Net cases that will participate through work activities will require work verification at a cost of $1.6 million (ten minutes per case).
- The Safety Net cases that participate in non work activities, will require work verification at a cost of $0.5 million (15 minutes per case).

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Work Verification

EXPENDITURES:

(in 000's)

ITEM 101-
CalWORKs Administration

	2010-11	2011-12
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 CalFresh Program (CFP) forms and joint CFP/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 CFP 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 Supplemental Nutritional Assistance Program Regulations Title 7, Code of Federal Regulations sections 272.4 (b)(2)(i), (ii), and (iii).
- The amount for CalWORKs Administration and CFP Administration in Fiscal Year (FY) 2010-11 was held to the Appropriation.
- Automation reprogramming is not scheduled for the final eight languages; therefore, additional staff time is necessary for form translation.
- For FY 2011-12, it is assumed the base cost for CalWORKs is $71,447 and the base cost for the CFP is $79,829.
- It is assumed a CalWORKs caseload decline of -0.5 percent in FY 2011-12.
- It is assumed a CFP caseload growth of 16.6 percent in FY 2011-12.

METHODOLOGY:

The funding for CalWORKs Administration in FY 2010-11 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).

CalWORKs: (Base cost X caseload decline)

($71,447 X -0.5%) = $71,098

CalFresh: (Base cost X caseload growth)

($79,829 X 16.6%) = $93,097

Be Vu v. Mitchell

FUNDING:

The CalWORKs share is funded with 94.42 percent federal Temporary Assistance for Needy Families (TANF) and 5.58 percent General Fund (GF) Maintenance of Effort (MOE). The CFP share is funded 50 percent federal Food and Nutrition Services (FNS) funds, 35 percent GF, and 15 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO YEAR CHANGE:

The change in CalWORKs Administration in the BY is due to a decrease in caseload growth. The increase to CalFresh Administration in the BY is due to projected caseload growth.

EXPENDITURES:

(in 000's)

ITEM 101 – CalWORKs Administration	2010-11	2011-12
Total	$91	$72
Federal	90	68
State	1	4
County	0	0
Reimbursements	0	0

ITEM 141 – Food Stamp Administration	2010-11	2011-12
Total	$91	$94
Federal	45	47
State	32	33
County	14	14
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 for Fiscal Year (FY) 2009-10, client-caused overpayments represent 62.2 percent of all collections.
- The total overpayment collections for FY 2009-10 were $58.0 million, which are used to calculate the Current Year (CY) collections.
- The total estimated overpayment collections for FY 2010-11 are $57.7 million, which are used to calculate the Budget Year (BY) collections.
- 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 (62.2 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 net increase is due to updating the client-caused error rate, which offset a decrease in overpayment collections.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is associated with an overall decreasing trend in overpayment collections over the last three years.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
ITEM 101 – TANF		
Total	$4,399	$4,371
Federal	4,399	4,371
State	0	0
County	0	0
Reimbursements	0	0

TANF and NACF Programs – PA to NA Fund Shift

DESCRIPTION:

This premise reflects an allocation of costs to CalFresh (CF) administration for Public Assistance CalFresh (PACF) recipients receiving California Work Opportunity and Responsibility to Kids (CalWORKs) benefits. Eligibility and ongoing costs for CF recipients that receive CalWORKs are charged as CalWORKs administrative costs. The federal share of administrative costs for CF 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.

IMPLEMENTATION DATE:

This premise implemented in March of 1984.

KEY DATA/ASSUMPTIONS:

- The budgeted amount for Fiscal Year (FY) 2010-11 is held to the Appropriation.
- In FY 2009-10, the total CalWORKs eligibility expenditures were approximately $590 million and the continuing administrative costs were approximately $148 million. Therefore, it is assumed that continuing administrative costs represent approximately 25 percent of the total CalWORKs eligibility expenditures.
- Based on prior year expenditures, CalWORKs eligibility expenditures increased at approximately 19.28 percent of the actual caseload increase. The CalWORKs caseload is projected to decrease by 0.5 percent in FY 2011-12. Therefore, it is assumed that the total CalWORKs eligibility expenditures will decrease by approximately 0.10 percent in FY 2010-11.
- The total CalWORKs eligibility expenditures for FY 2010-11 are projected to be approximately $597 million and shall serve as base for determining the FY 2011-12 total eligibility expenditures.
- It is assumed that the common cost total will be approximately $63 million in FY 2010-11 and $63 million in FY 2011-12.
- The ongoing case activity costs shift to CF in FY 2010-11 are projected to be $149 million.
- The ongoing case activity costs shifted to CF in FY 2011-12 is projected to be $149 million.
- The eligibility worker common intake administrative costs are divided equally among CalWORKs, CF and Medi-Cal.

TANF and NACF Programs – PA to NA Fund Shift

METHODOLOGY:

- The Budget Year costs were calculated by reducing the base funding by the anticipated CalWORKs caseload decline and then adding the common intake costs to the total.
- The projected rate of expenditure increase or decline is determined by multiplying the projected caseload decline for FY 2011-12 by the historic rate of expenditure increase or decline (-0.5 percent caseload decline x 19.28 percent = -0.10 percent).
- The FY 2011-12 total CalWORKs eligibility expenditures are calculated by subtracting the anticipated rate of expenditure decline from the base FY 2010-11 costs.

  ($597 million x -0.10 percent = $0.6 million anticipated expenditure decline)

  ($597 million - $0.6 million = $596 million ongoing case activity costs)
- The ongoing activity cost for FY 2011-12 is calculated by multiplying the total projected CalWORKs eligibility expenditures by the percentage of costs representing ongoing activities ($596 million x 25 percent = $149 million).
- The total PA to NA fund shift is calculated by adding the anticipated ongoing case activity costs and the common intake costs

  ($149 million + $63 million = $212 million total PA to NA fund shift)

FUNDING:

Non-Assistance CalFresh (NACF) 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:

The amount was held to the appropriation. There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in funds shifting from CalWORKs administration to CF administration is associated with continuing costs as compared to total eligibility.

TANF and NACF Programs – PA to NA Fund Shift

EXPENDITURES:

(in 000's)

	2010-11	2011-12
ITEM 101 – TANF	County Admin.	County Admin.
Total	-$236,524	-$212,230
Federal	-236,524	-212,230
State	0	0
County	0	0
Reimbursements	0	0

ITEM 141 – Food Stamps	2010-11	2011-12
	County Admin.	County Admin.
Total	$236,524	$212,231
Federal	118,262	106,115
State	82,783	74,281
County	35,479	31,835
Reimbursements	0	0

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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:

- In Fiscal Year (FY) 2009-10, the total CalWORKs eligibility expenditures were approximately $590.4 million and the Medi-Cal common costs were approximately $62.3 million. Therefore, it is assumed that Medi-Cal costs represent approximately 10.55 percent of the total CalWORKs eligibility expenditures in FY 2010-11.
- Based on prior year expenditures, CalWORKs eligibility expenditures increased at approximately 19.28 percent of the actual caseload increase. The CalWORKs caseload is projected to increase by 5.4 percent in FY 2010-11. Therefore, the CalWORKs eligibility expenditures are anticipated to grow by 1.04 percent in FY 2010-11.
- The CalWORKs caseload is projected to decrease by 0.5 percent in FY 2011-12. Therefore, it is assumed that the Medi-Cal Common costs and CalWORKs eligibility expenditures will decrease by approximately 0.10 percent in FY 2011-12.
- The total CalWORKs eligibility expenditures in FY 2010-11 for $596.6 million shall serve as base for determining the FY 2011-12 total eligibility expenditures.
- It is assumed that in FY 2011-12, the total CalWORKs eligibility expenditure is projected to be approximately $596.0 million and the Medi-Cal common costs are projected to be approximately $62.9 million.

METHODOLOGY:

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

- The percentage of Medi-Cal common costs in relation to total CalWORKs eligibility expenditures is calculated by dividing the FY 2009-10 Medi-Cal common costs by the total CalWORKs eligibility costs.
  ($62.3 million / $590.4 million = 10.55 percent)

Medi-Cal Services Eligibility / Common Costs

- The CalWORKs eligibility expenditures in FY 2010-11 is calculated by multiplying the base expenditure amount of $590.4 million in FY 2009-10 by the projected 1.04 percent expenditure growth in FY 2010-11.
  ($590.4 million x 1.04 percent + 590.4 = $596.6 million)

- The Medi-Cal common costs in FY 2010-11 is calculated by applying the 10.55 percent common cost growth in FY 2009-10 and multiplying it by the base total of CalWORKs eligibility expenditure in FY 2010-11.
  ($596.6 million x 10.55 percent = $62.9 million)

For FY 2011-12, the Medi-Cal Services Eligibility/Common Costs are calculated as follows:

- The projected rate of expenditure increase or decline is determined by multiplying the projected caseload decline for FY 2011-12 by the historic rate of expenditure increase or decline (-0.5 percent caseload decline x 19.28 percent = -0.10 percent).

- The projected FY 2011-12 total CalWORKs eligibility expenditures of $596.0 million is calculated by multiplying the percentage decline of -0.10 percent in FY 2011-12 by the base funding for FY 2010-11.
  ($596.6 million x -0.10 percent = $0.6 million)
  ($596.6 million - $0.6 million = approximately $596.0 million)

- The Medi-Cal common cost in FY 2011-12 is calculated by multiplying the projected CalWORKs eligibility expenditure for FY 2011-12 by the percentage of expenditures that represent Medi-Cal common costs.
  ($596.0 million x 10.55 percent = $62.9 million)

FUNDING:

The funds are 100 percent TANF.

CHANGE FROM THE APPROPRIATION:

The Current Year actual base Medi-Cal Common costs expenditures were lower than projected in the appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The change in the Budget Year is due an anticipated decline in common cost expenditures in relation to the total CalWORKs expenditures.

Medi-Cal Services Eligibility / Common Costs

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	-$62,937	-$62,931
Federal	-62,937	-62,931
State	0	0
County	0	0
Reimbursements	0	0

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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) 2010 were added to a projected final quarter and then compared to the net annual TANF grant and the required state MOE for FFY 2010.
- Administrative expenditures were adjusted between federal TANF (8.95 percent) and state MOE (8.66 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:

Administrative expenditures claimed by the counties in FFY 2010 were higher than originally anticipated.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

CalWORKs Administrative Cap Adjustment

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$0	$0
Federal	-169,500	-169,500
State	169,500	169,500
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), CalFresh, 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 $1,368,000 is budgeted in Fiscal Year (FY) 2010-11 for attorney fees and settlement costs associated with small court cases expected to be resolved in the Current Year (CY).
- A total of $550,000 is budgeted in FY 2011-12 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 CalFresh Administration

- A total of $7,640,000 is budgeted in FY 2010-11 for attorney fees associated with Foster Care, AAP and CalFresh small court cases expected to be resolved in the CY. There are no settlement costs expected for the CY.
- A total of $7,234,000 is budgeted in FY 2011-12 for attorney fees associated with Foster Care, AAP and CalFresh small court cases expected to be resolved in the BY. There are no settlement costs expected for 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 2010-11 and FY 2011-12.

Item 141 – FC, AAP, and CalFresh Administration

The estimate is based on actual and projected attorney fees, settlement costs, and miscellaneous writs to be paid in FY 2010-11 and FY 2011-12.

FUNDING:

Item 101 –TANF Administration

The funding is 100 percent TANF.

Item 141 – FC, AAP, and CalFresh 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 Aid to Families with Dependent Children-Foster Care [AFDC-FC]).

Court Cases

CHANGE FROM THE APPROPRIOATION:

The change in the CY TANF administration is a result of decreased court case costs.

The change in FC, AAP, and CalFresh is due to increased costs of cases that are expected to settle.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the BY TANF administration court case costs is due to decreased costs of cases that are expected to settle in BY.

The decrease in the BY FC, AAP, and CalFresh court costs is due to decreased costs of cases that are expected to settle in the BY.

EXPENDITURES:

(in 000's)

ITEM 101 –	2010-11	2011-12
TANF Administration		
Total	$1,368	$550
Federal	1,368	550
State	0	0
County	0	0
Reimbursements	0	0

ITEM 141 –	2010-11	2011-12
FC, AAP and CalFresh Administration	.	
Total	$7,640	$7,234
Federal	3,820	3,617
State	3,820	3,617
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.
- Funding for this premise was suspended for FY 2010-11.
- The Governor's Budget proposes to suspend the program for FY 2011-12.
- The program is scheduled to be implemented on July 1, 2012.

METHODOLOGY:

- The program is suspended for FY 2010-11 and FY 2011-12.

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.

State/County Peer Reviews

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$0	$0
Federal	0	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) 2010-11 and FY 2011-12 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)

	2010-11	2011-12
	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 CalFresh; Greater Avenues for Independence (GAIN); Cal Learn, Health & Safety (for child care); Transitional Child Care Administration; and Non-GAIN Education & Training program.
- It is assumed that counties will meet 100 percent of MOE with CalFresh Administration cost in FY 2010-11 and FY 2011-12. Therefore, the counties will not be required to spend any funds in the CalWORKs program.

FUNDING:

This is a shift from federal to county funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

County Maintenance of Effort Adjustment

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

CalWORKs Reductions – Mailing/Notifications Governor's Special Session

DESCRIPTION:

This premise reflects the impact of notifying California Work Opportunity and Responsibility to Kids (CalWORKs) recipients of the Governor's Special Session CalWORKs reduction proposals to reduce grants by 13 percent and to implement a 48-month time limit.

In Fiscal Year (FY) 2010-11, the California Department of Social Services will distribute general mailers to notify all CalWORKs recipients of the upcoming reductions.

IMPLEMENTATION DATE:

This premise assumes an enactment date of March 1, 2011.

KEY DATA/ASSUMPTIONS:

- Statutory changes are required to implement this premise.
- General notifications will be provided to all CalWORKs recipients in FY 2010-11 to inform them of the reductions.

METHODOLOGY:

Mailing costs (assuming a postage rate of 44 cents and five cents for an envelope) are included to cover the mailings in FY 2010-11.

FUNDING:

The funding is 94.42 percent Temporary Assistance for Needy Families and 5.58 General Fund.

CHANGE FROM PRIOR APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Current Year only item.

CalWORKs Reductions – Mailing/Notifications Governor's Special Session

EXPENDITURES:

(in 000's)

101 – CalWORKs Administration	2010-11	2011-12
Total	$571	$0
Federal	539	0
State	32	0
County	0	0
Reimbursement	0	0

CalWORKs Reduction - Time Limit Reviews Governor's Special Session

DESCRIPTION:

This premise reflects the impact of the Governor's Special Session California Work Opportunity and Responsibility to Kids (CalWORKs) reduction proposal to implement a 48-month time limit. Preliminary review of cases that will reach their 48-month time limit is required in Fiscal Year (FY) 2010-11. The county worker will have to perform a manual calculation to determine months on aid for the child-only cases.

IMPLEMENTATION DATE:

This premise assumes an enactment date of March 1, 2011.

KEY DATA/ASSUMPTIONS:

- Statutory changes are required to implement this premise.
- The 48-month time limit premise assumes an enactment date of March 1, 2011 with an implementation date of July 1, 2011.
- 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 new 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 137,865 child-only cases will require a manual calculation to determine months on aid resulting in administrative costs of approximately $1.3 million for FY 2010-11 (137,865 x $9.59).

FUNDING:

The funding is 94.42 percent Temporary Assistance for Needy Families and 5.58 percent General Fund.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Current Year only item.

CalWORKs Reduction - Time Limit Reviews Governor's Special Session

EXPENDITURES:

(in 000's)

101 – CalWORKs Administration	2010-11	2011-12
Total	$1,322	$0
Federal	1,248	0
State	74	0
County	0	0
Reimbursement	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) 2010-11, 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 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.
- The Governor's Budget proposes to repeal the long-term reforms.

METHODOLOGY:

- The Governor's Budget proposes to repeal the long-term reforms.

FUNDING:

The funding is 94.42 percent Temporary Assistance for Needy Families and 5.58 General Fund.

CHANGE FROM THE APPROPRIATION:

The statute is proposed to be repealed and the Long Term Reform policies will no longer be implemented.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

CalWORKs Reform Efforts Notification

EXPENDITURES:

(in 000's)

101 – CalWORKs Administration	2010-11	2011-12
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursement	0	0

CalWORKs Long-Term Reform Efforts
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 with an implementation date of July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Chapter 4, Statutes of the Fourth Extraordinary Session of 2009.
- The Governor's Budget proposes to repeal the long-term reforms.

METHODOLOGY:

The Governor's Budget proposes to repeal the long-term reforms.

FUNDING:

The funding is 94.42 percent Temporary Assistance for Needy Families and 5.58 General Fund.

CHANGE FROM THE APPROPRIATION:

The statute is proposed to be repealed and the Long Term Reform policies will no longer be implemented.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

CalWORKs Long-Term Reform Efforts
Time Limit Reviews

EXPENDITURES:

(in 000's)

101 – CalWORKs Administration	2010-11	2011-12
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursement	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.

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 for FY 2010-11 is held to the Appropriation.
- The cost of providing CalWORKs child care for FY 2011-12 is based on the following assumptions:
    - The projected monthly caseload (children) for the Budget Year (BY) is 63,337 based on a projection using actual caseload from FY 2008-09 as reported on the Child Care Monthly Report – CalWORKs Families (CW 115) and Child Care Monthly Report – Two Parent Families (CW 115A), and adjusted for the phased-in return of families granted good cause from work participation due to lack of supportive services or due to the inclusion of young children (i.e., one child between 12-23 months or two children under the age of six) due to the CalWORKs Short Term Reforms. The CalWORKS Short Term Reforms end June 30, 2011.

CalWORKs Child Care - Stage One Services and Administration

KEY DATA/ASSUMPTIONS (CONTINUED):

- Ratios and percentages for Stage One expenditures in the BY are taken from FY 2008-09, which was the last year of data prior to the policy change which granted good cause to not participate as a result of having young children or lack of supportive services.
- The base monthly cost of CalWORKs child care services for the BY is $690.56 per child, which was held to the FY 2009-10 Appropriation. This base cost was adjusted to $766.77 for increased cost of doing business based on the Consumer Necessities Index (5.26 percent for FY 2008-09, 1.53 percent for FY 2009-10, and 2.29 percent for FY 2010-11). This cost per case is based on child care expenditures and caseload as reported on the County Expense Claims and on the CW 115 and CW 115A reports.
- The CalWORKs child care administrative ratio is 11.40 percent and is based on the actual administrative expenditures compared to services expenditures for FY 2008-09.
- The child care cost for two parent families and Recent Noncitizen Entrant (RNE) families in mixed households is 3.75 percent, based on Stage One expenditures from FY 2008-09.
- The child care cost for RNEs is 0.46 percent of the total Stage One child care cost, based on expenditures from FY 2008-09. Non-mixed RNE households (those with no federally eligible members) equal 49.6 percent of the RNE caseload.
- The child care cost for sanctioned teens for State-Only Cal Learn Child Care is 0.013 percent of the total Stage One cost, based on expenditures from FY 2008-09.
- The BY net need for CalWORKs Child Care after adjustments for RNE and State-Only Cal Learn is approximately $647.7 million ($581.4 in services, $66.3 in admin).
- It is assumed $155.8 million in the CY and $157.6 million in the BY in TANF funds are transferred to Title XX and used to fund Stage One.

METHODOLOGY:

- The Stage One child care services costs are calculated by multiplying the caseload by the cost per child multiplied by 12 months (63,337 x $766.77 x 12 = $582.8 million).
- The Stage One child care administrative costs are calculated by multiplying the services costs by the administrative ratio ($582.8 million x 11.40 percent = $66.4 million).
- RNE child care expenditures in non-mixed households are subtracted from the total Stage One services and admin expenditures and represented on the “Recent Noncitizen Entrants Services/Administration” premise ($649.2 million x 0.46 percent x 49.6 percent = $1.49 million)
- Child care costs for sanctioned teens Cal Learn are calculated by multiplying the ratio of State-Only Cal Learn expenditures to total Stage One services and admin costs from FY 2008-09 ($649.2 million x 0.013 percent = $84,396). These funds are subtracted from the Stage One estimate and reflected in the “State-Only Cal Learn Child Care” premise.

CalWORKs Child Care - Stage One Services and Administration

METHODOLOGY (CONTINUED):

- The state portion of Stage One child care costs are calculated by multiplying the remaining Stage One child care costs by the ratio of two-parent and mixed-household RNE families from FY 2008-09 expenditures (Services: $581.4 million x 3.75 percent = $21.8 million).

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:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY is updated for current caseload trends and adjusted for the phased-in return of families given good cause or exempted due to the CalWORKs Short Term Reforms, which are lower than assumed for the Appropriation in the CY.

CASELOAD:

	2010-11	2011-12
Average Monthly Children	76,423	63,337

EXPENDITURES:

(in 000's)

101 – CalWORKs Child Care Stage One Services	2010-11	2011-12
Total	$674,245	$581,369
Federal	653,555	559,552
State	20,690	21,817
County	0	0
Reimbursements	0	0

101 – CalWORKs Child Care Stage One Admin	2010-11	2011-12
Total	$74,523	$66,258
Federal	72,272	63,772
State	2,251	2,486
County	0	0
Reimbursements	0	0

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Exempt Care Reduction

DESCRIPTION:

This premise reflects the impact of reducing the rate at which Licensed-Exempt child care providers are reimbursed. Regional Market Rate (RMR) ceilings are the maximum amount child care providers can be reimbursed from the state for subsidized child care. Due to legislative action taken in the Fiscal Year (FY) 2010-11 Budget Act, Senate Bill (SB) 870, the licensed-exempt provider reimbursement rate ceilings were lowered from 90 percent to 80 percent of the 85th percentile of the RMR established by the 2005 RMR survey (Education Code section 8357) for a Family Child Care Home (FCCH). Current and prior California Work Opportunity and Responsibility to Kids (CalWORKs) participants that are receiving CalWORKs Stage One, Stage Two, Stage Three, and Alternate Payment Program (APP) child care will be affected by this update.

IMPLEMENTATION DATE:

The authorizing legislation was enacted October 8, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8357 and 8447, and the FY 2010-11 Budget Act, SB 870.
- The Licensed-Exempt Providers reimbursement rate ceilings will be 80 percent of the current law RMR ceiling for FCCH.
- The newly established Licensed-Exempt Provider Rate will impact the Stage One, Stage Two, Stage Three, and APP child care programs.
- The estimate for the impact to the Stage One child care program is based on data from the Results Group 1999 Child Care Survey updated to FY 2010-11 appropriated program expenditures ($492.7 million) and FY 2011-12 estimated program funding ($649.2 million).

METHODOLOGY:

- For Stage One Child Care it is estimated that 56.5 percent of the expenditures are dedicated to license exempt providers, based on data from the Results Group 1999 Child Care Survey.
- The impact of this premise will result in a savings of 4.252 percent of the license exempt expenditures based on the Current Year (CY) appropriated funding and the Budget Year (BY) estimated funding.
- The CY savings are then mulitiplied by 58.3 percent to account for a partial year of implementation, resulting in $6.9 million in savings. The BY reflects full year savings of $15.6 million.

FUNDING:

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

CHANGE FROM THE APPROPRIATION:

The loss of savings is primarily due to the FY 2010-11 Budget Act passing late and eroding CY savings, but also due to updated savings assumptions.

Exempt Care Reduction

REASON FOR YEAR-TO-YEAR CHANGE:

The increased savings reflect a full year of the rate reduction, as well as increased base funding for Stage One Child Care.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	-$6,912	-$15,611
Federal	-6,660	-15,043
State	-252	-568
County	0	0
Reimbursements	0	0

Lower Age Eligibility Limit

DESCRIPTION:

This premise reflects the savings associated with lowering the age limit for eligibility to receive subsidized child care from 12 years to 10 years. Current and prior California Work Opportunity and Responsibility to Kids (CalWORKs) participants that are receiving CalWORKs Stage One, Stage Two, Stage Three, Alternate Payment Program (APP), General Child Care (GCC), and who are 11 and 12 years old will be affected by this policy change.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011, pending legislative approval.

KEY DATA/ASSUMPTIONS:

- Statutory changes are required to implement this premise.
- Subsidized child care will no longer be provided for children in child care programs, including those in Stage One, Stage Two, Stage Three, APP, and GCC child care programs, who are over ten years old.
- According to information from a 1999 Results Group survey, approximately three percent of the Stage One Child Care expenditures were from child care payments from 11 year olds.
- According to information from a 1999 Results Group survey, approximately two percent of the Stage One Child Care expenditures were from child care payments from 12 year olds.
- The expected Stage One Child Care expenditures for Fiscal Year (FY) 2011-12 are $649 million.

METHODOLOGY:

The expected Stage One Child Care expenditures for FY 2011-12 are multiplied by the approximate percentage of child care payments from 11 and 12 year olds to get the savings amount for lowering the age limit for child care eligibility.

FUNDING:

This premise reflects 100 percent Temporary Assistance for Needy Families savings.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the Budget Year.

Lower Age Eligibility Limit

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$0	-$34,037
Federal	0	-34,037
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.
- The Current Year (CY) funding for State Only Cal Learn Child Care was held to the Appropriation.
- For the Budget Year (BY), 0.013 percent of the California Work Opportunity and Responsibility to Kids (CalWORKs) Stage One Child Care expenditures represent services for sanctioned teens in the State-Only Cal Learn Child Care program, based on the expenditure ratio from FY 2008-09.
- Refer to the “Stage One Services and Administration” premise for more information regarding the Cal Learn Child Care estimate.

METHODOLOGY:

The expenditure ratio was multiplied by the projected Stage One Child Care expenditure amount for the BY (0.013 percent x $649,202,452 = $84,396).

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:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in BY is due to a decrease in the ratio of State-Only Cal Learn child care expenditures to the total Stage One Child Care expenditures.

State-Only Cal Learn Child Care

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$149	$84
Federal	0	0
State	149	84
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.

The 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 L-1 Enrollment Services Division, 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 L-1 Enrollment Services Division to cover Live Scan and DOJ charges.
- The R&R Network application fee is $35.
- Included in the L-1 Enrollment Services Division contract is a $35,000 maintenance fee for the Live Scan machines.
- The funding for Trustline was held to the FY 2009-10 Appropriation for the Current Year (CY).

Child Care – Trustline

KEY DATA ASSUMPTIONS (CONTINUED):

- For Fiscal Year (FY) 2011-12, the cost of providing Trustline for CDSS, CDE, and voluntary applicants is based on the following key data and assumptions:
  - Information for CDSS Trustline applications and expenditures in the Budget Year (BY) are based on actual data from FY 2008-09, which was the last year of data that included families with young children (i.e., families with one child 12-23 months or two children under six) who were excluded from participation requirements from July 1, 2009 - June 30, 2011.
  - The total projected number of Trustline applications for CDSS, CDE, and voluntary is 26,131. The number of CDSS applications is based on a projection using actual data from FY 2008-09. The number of CDE and voluntary applications is based on a projection using actual data from FY 2009-10. 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 $123 based on actual county administration expenditures divided by the number of CDSS applications for FY 2008-09.

- The Trustline Automated Registration Process (TARP) pilot implemented in October 2006, with statewide implementation completed in 33 counties as of June 1, 2010. The projected number of TARP applications for the Budget Year (BY) is 21,264. TARP costs ($5 per application) are reflected in the L-1 Enrollment Services Division contract.The fees for the contracted services are as follows:

	FY 2010-11	FY 2011-12
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
L-1 Enrollment Services Division Cardscan Fee[1]	$10	$10
L-1 Enrollment Services Division Live Scan[1]	$16	$16
TARP	$5	$5

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

Child Care – Trustline

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 2010-11	FY 2011-12
DOJ	$1,969,638	$1,611,522
R&R Network	$1,182,545	$932,681
L-1 Enrollment Services Division [2]	$653,373	$531,254
County Administrative Costs	$1,696,676	$1,952,367

[2] TARP costs are included in the L-1 contract.

The total funding for Trustline/Self-Certification was reduced by $1.6 million in the CY.

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.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decline in Trustline funding is due to a smaller increase in the number of Trustline applications expected for the BY compared to previous projections.

CASELOAD:

	2010-11	2011-12
Average Monthly CDSS Trustline Caseload	1,793	1,320
Average Monthly CDE Trustline Caseload	693	715
Average Monthly Voluntary Trustline Caseload	210	143

Child Care – Trustline

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$5,033	$5,028
Federal	3,799	3,920
State	261	65
County	0	0
Reimbursements	973	1,043

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.
- Self-Certification funding for the Current Year (CY) is held to the Appropriation.
- The projected cost of self-certification for Fiscal Year (FY) 2011-12 is based on the following key data and assumptions:
  - Information for Trustline applications for the California Department of Social Services (CDSS) in the Budget Year (BY) is based on actual data from FY 2008-09, which was the last year of data that included families with young children (i.e., families with one child 12-23 months or two children under six) who were excluded from participation requirements from July 1, 2009 - June 30, 2011.
  - The projected number of CDSS Trustline applications is 15,835 in the BY, based on a projection using data from FY 2008-09.
  - The statewide cost of self-certification ($161) is based on actual county expenditures from FY 2009-10 ($2.5 million) divided by total Trustline applications processed in FY 2009-10 (15,574).

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 BY: $161 x 15,835 = $2.6 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.

Self-Certification

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the BY is due to a lower cost-per-case and a lower expected number of applications projected for FY 2011-12.

CASELOAD:

	2010-11	2011-12
Average Annual Caseload	15,568	15,835

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$2,957	$2,553
Federal	2,772	2,443
State	185	110
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) The Federated Indians of Graton Rancheria, representing Marin and Sonoma counties; 3) Hoopa, representing tribal members in Humboldt County; 4) Karuk Tribe representing Siskiyou and Humboldt counties; 5) Morongo, representing tribal members in Riverside County; 6) North Fork Rancheria (NFR), representing the tribal members in Fresno, Madera, Mariposa, and Merced counties; 7) Owens Valley Career Development Center (OVCDC), representing the tribal members in Fresno, Inyo, Kern, Kings, and Tulare counties; 8) Round Valley Indian Tribe representing Mendocino county; 9) Tule Reservation Scott's Valley, representing the tribal members in Contra Costa County; 10) Southern California Tribal Chairman Association (SCTCA), representing tribal members in Santa Barbara and San Diego counties; 11) Shingle Springs, representing El Dorado, Placer, and Sacramento counties; 12) Soboba, representing tribal members in Riverside County; 13) Torres-Martinez Tribal TANF (TMTT), representing tribal members in Los Angeles and Riverside counties; 14) Washoe Tribe of Nevada and California (WTNC), representing tribal members in Alpine, Alameda, Nevada, San Francisco, San Joaquin, San Mateo, Santa Clara, and Santa Cruz counties; and 15) 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 2011 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 Hopland Band of Pomo Indians is seeking approval of an MOU for a March 2011 implementation in Mendocino County.
- The Karuk tribe that represents tribal members from Siskiyou and Humboldt implemented in December 2008.
- The Manchester Point Arena Reservation Tribe is seeing approval of an MOU for a March 2011 implementation in Mendocino County. 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. Mono and Ventura counties are seeking approval of an MOU for their March 2011 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 March 2011 implementation.
- The Pit River tribe represents tribal members from Modoc and Shasta counties and is seeking approval of an MOU for their March 2011 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 2011 implementation.
- The Round Valley Band of Indians that represents tribal members from Mendocino County implemented in January 2009.
- The Shingle Springs tribe represents tribal members from El Dorado, Placer and Sacramento counties implemented in June 2010.
- The Smith River tribe represents tribal members from Del Norte and Humboldt counties and is seeking approval of an MOU for their March 2011 implementation.
- The Tule Reservation Scott's Valley Band of Pomo Indians that represents tribal members from Contra Costa County implemented in January 2008.

Tribal TANF

IMPLEMENTATION DATE (CONTINUED):

- 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 Shingle Springs Tribe of Miwok Indians that represents tribal members from El Dorado, Placer and Sacramento counties is seeking approval of an MOU for their June 2010 implementation. These counties withdrew from Washoe.
- 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 2011 implementation.
- 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 2011 implementation for Monterey, San Benito, San Luis Obispo, and Sierra counties. El Dorado, Placer and Sacramento counties will be withdrawn from Washoe and shifted to Shingle Springs beginning June 2010.
- 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 23,257 in the Current Year (CY) and Budget Year (BY).
  - The average persons per case is 2.9.
  - The average monthly number of cases receiving Welfare-to-Work (WTW) services is 1,884 in the CY and 2,151 in the BY.
  - The average monthly WTW services cost per person is $206.36.
  - The average monthly administrative cost per case is $50.73.

Tribal TANF

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.

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

2010-11			2011-12		
Grants	WTW Services	County Admin.	Grants	WTW Services	County Admin.
$69,313	$1,788	$4,553	$81,440	$2,041	$5,345

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. There are no new tribes anticipated in the BY.

Tribal TANF

EXPENDITURES:

(in 000's)

	2010-11 Grant	2011-12 Grant
Total	$75,654	$88,826
Federal[1]	0	0
State	75,654	88,826
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 $81.3 million in FY 2010-11 and $95.4 million in FY 2011-12.

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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 collaborated 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 FFY 2009 and FFY 2010.
- ARRA ECF funds are only available for expenses incurred before September 31, 2010.
- California earned $8.45 million ECF for expenditures associated with the Emergency Drought Assistance, which was designed to aid with emergency food needs in Fresno County in the wake of California's drought disaster (Executive Order S-11-09). These ECF will be used to offset TANF funds that otherwise would have been used to fund the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

METHODOLOGY:

The projected non-recurring short term benefit ECF included in this premise reflects preliminary expenditure information as received from the counties. The amount is subject to revision based on actual information to be reported by the counties.

FUNDING:

This premise is funded with 100 percent ECF funds.

CHANGE FROM THE APPROPRIATION:

The decrease in funds reflects an updated projection of expected county expenditures for only the first quarter of FY 2010-11 due to ARRA not being extended through FFY 2011.

REASON FOR YEAR-TO-YEAR CHANGE:

ARRA ECF funds are not available for the Budget Year.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$76,802*	$0
Federal	76,802*	0
State	0	0
County	0	0
Reimbursements	0	0

*$68.4 million ECF will be provided to the counties to reimburse non-recurrent short term benefit expenditures and the remainder will be used to offset TANF funds in the CalWORKs program.

TANF Transfer to 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, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.
- The following criteria were applied to the Cal Grant expenditures:
  - Federally funded expenditures were excluded
  - State expenditures used as federal match were excluded
  - TANF ineligible expenditures were excluded (namely Cal Grant B Access grant and Cal Grant C)
  - Expenditures that met TANF criteria were included (unmarried students age 25 or younger and has annual parental/student income at or below $50,000 threshold).

METHODOLOGY:

For Fiscal Year 2011-12, the estimate reflects the amount of TANF-eligible expenditures that will be funded by TANF in order to achieve General Fund savings.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the Budget Year.

TANF Transfer to Student Aid Commission

EXPENDITURES:

(In 000's)

	2010-11	2011-12
Total	$0	$946,801
Federal	0	946,801
State	0	0
County	0	0
Reimbursements	0	0

Kinship Guardianship Assistance Payment Program

DESCRIPTION:

This premise reflects the costs 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 6 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 (FC) 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 FC.

Pursuant to AB 12 (Chapter 351, Statutes of 2010), cases that are federal Title IV-E eligible will convert to the Federal Kin-GAP (Fed-GAP) program upon annual redetermination, effective January 1, 2011. Prospective federally eligible cases that would have entered the Kin-GAP program on or after January 1, 2011, will now enter the Fed-GAP program.

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 FC 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 September 2009 through August 2010.
- A State-Only Kin-GAP program is available for those cases that are not eligible for the Fed-GAP program but would be eligible for the Kin-GAP program. This would include cases that transferred from the California Work Opportunity and Responsibility to Kids (CalWORKs) program and Permanent Residence Under Color of Law cases. Based on the caseload reported on the CA 237 KG Caseload Movement Report, nonfederal cases represent approximately 5 percent of the total caseload.

Kinship Guardianship Assistance Payment Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is projected that on December 31, 2010, there will be 12,778 federally eligible Kin-GAP cases that will convert to the Fed-GAP program. The conversion will occur on the date of the annual redetermination. Assuming the date of the redetermination is spread out evenly over the course of one year, 1,065 cases will leave Kin-GAP each month for 12 months.
- 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 2009 through June 2010. The average Kin-GAP basic grant payment is $611.38.
- The average Temporary Assistance for Needy Families (TANF) portion of the Kin-GAP rate is $347 but, effective January 1, 2011, will no longer be used for the Kin-GAP program.
- Based on actual expenditures through June 2010, the cost of ongoing county Kin-GAP administrative functions is $42.04 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.

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:

Prior to January 1, 2011, the Kin-GAP basic rate was paid utilizing the applicable regional per-child CalWORKs grant which was funded with General Fund (GF). The balance of the Kin-GAP basic and SCI rate was paid with 50 percent GF and 50 percent county funds. Effective January 1, 2011, the Kin-GAP basic rate will be paid with 79 percent GF and 21 percent county funds.

CHANGE FROM THE APPROPRIATION:

The Current Year (CY) grant decrease is based on federally eligible cases exiting the Kin-GAP program and transferring to the Fed-GAP program, in addition to prospective federally eligible cases entering the Fed-GAP program. For the administration costs, there was no change in the CY.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year grant and administration decreases are due to the remaining federally eligible Kin-GAP cases transferring to the Fed-GAP program.

Kinship Guardianship Assistance Payment Program

CASELOAD:

	2010-11	2011-12
Average Monthly Caseload	11,589	2,003

EXPENDITURES:

(in 000's)

Item 101 – Kin-GAP Basic Costs	2010-11 Grant	2011-12 Grant
Total	$84,882	$14,697
Federal	0	0
State	66,706	11,537
County	18,176	3,160
Reimbursements	0	0

Item 101 – Kin-GAP Administration	2010-11 County Admin.	2011-12 County Admin.
Total	$6,277	$1,011
Federal	0	0
State	6,271	1,003
County	6	8
Reimbursements	0	0

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Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

DESCRIPTION:

The premise will require the California Department of Social Services (CDSS) to amend its current Title IV-E state plan to extend benefits up to age 21 for youth in the Foster Care (FC), Kinship Guardianship Assistance Payment (Kin-GAP) program, Federal Kinship Guardianship Assistance Payment (Fed-GAP) program, and Adoption Assistance Program (AAP) who meet one of the five specified criteria. This premise will implement the provisions of Assembly Bill (AB) 12 (Chapter 559, Statutes of 2010), which exercises the federal option of extending FC benefits detailed in the Fostering Connections to Success and Increasing Adoptions Act of 2008, Public Law (P.L.) 110-351. This premise will create a new population of dependent youth, referred to as non-minor dependents. This premise will extend the age limit to receive benefits in order to provide longer support to assist these youth in learning how to be self-sufficient while still having the security of a supervised living placement with the goal of improving outcomes for this population when they transition to self-sufficiency.

Eligibility for extended benefits up to age 21 will be available to youth who meet at least one of the five following criteria.

- Is completing secondary education or a program leading to an equivalent credential.
- Is enrolled in an institution which provides postsecondary or vocational education.
- Is participating in a program or activity designed to promote, or remove barriers to employment.
- Is employed for at least 80 hours a month.
- Is incapable of doing any of the above due to a medical condition which is documented regularly in the child's case plan.

In addition to the above criteria, for the AAP, Kin-GAP, and Fed-GAP programs, the non-minor dependent had to have entered one of these programs at age 16 or older.

AB 12 also authorizes Kin-GAP cases that are determined to have a disability to receive extended benefits up to age 21; regardless of the age these cases were upon entering Kin-GAP. Extending benefits for disabled cases is January 1, 2011.

The extension of benefits up to age 19 will implement on January 1, 2012. On January 1, 2013, the extension of benefits will increase to age 20. On January 1, 2014, if CDSS determines that there are sufficient funds available; benefits may be extended up to age 21.

IMPLEMENTATION DATE:

Extending benefits for disabled Kin-GAP cases beyond age 18 is effective on January 1, 2011.

The extension of benefits beyond age 18 for all other qualified cases will implement on January 1, 2012.

KEY DATA/ASSUMPTIONS:

Authorizing statute: AB 12 and P.L. 110-351.

Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

KEY DATA/ASSUMPTIONS (CONTINUED):

Kin-GAP Caseload

- Assumes two Kin-GAP cases will extend beyond age 18 due to a disability. This is based on the number of Kin-GAP Dual Agency cases, by age, as of March 31, 2010.
- Assumes nine cases will enter the Kin-GAP program annually at the age of 16 or older. This is based on entrances into the Kin-GAP program, by age, as of April 1, 2010. Five percent of these entrances will either enter or remain in the Kin-GAP program, 95 percent will either enter or transfer to the Fed-GAP program. This includes the impact of Kin-GAP Interstate Compact for the Placement of Children (ICPC) cases residing outside of California.
- Data from the Urban Institute Report was used to determine how many cases will continue to receive Kin-GAP benefits beyond age 18. See “Foster Care Caseload” for more information.
- Effective January 1, 2012, it is projected that one Kin-GAP case per month will receive extended benefits beyond age 18, resulting in an average monthly caseload of two cases in Fiscal Year (FY) 2011-12.

Foster Care Caseload

- The FC estimate reflects costs and caseload data for the 56 non-Title IV-E Waiver counties and the Title IV-E Waiver counties.
- Data from the Urban Institute Report on extending FC benefits to 21 years of age indicated that 60.6 percent of foster youth that would normally emancipate at age 17, will continue to receive FC benefits until age 19 as a result of AB 12. This data assumes a four percent re-entry rate.
- Non-minors who are FC “Services Only” cases or California Work Opportunity and Responsibility to Kids (CalWORKs) "Child Only" cases will be eligible to receive FC benefits as a result of AB 12 and elect to stay in the program at the same rate as the FC caseload. Further assumptions and data listed under “CalWORKs Child Only”.
- Starting January 1, 2012, it is projected that an additional 104 FC non-minor dependents 18 years of age (dependants and wards) will be phased into the program each month. As a result of this phase in, FY 2011-12 will have an average monthly caseload of 361 FC non-minor dependents 18 years of age receiving extended benefits.

Foster Care Placement Options

- FC Placement options reflect data that was used in the California Fostering Connections Webinar. Adjustments were made to the Group Home (GH) and the Transitional Housing Program – Plus Foster Care (THP-Plus FC) placements options.
- Assumes that of the additional FC youths served, relative placements will account for 22 percent of the total FC placements in AB 12 or an average of 80 monthly cases for
- FY 2011-12. Federal cases are projected to account for 100 percent of total relative placements.
- Assumes that of the additional FC youths served, Non-Dependant Non Related Legal Guardians (NDNRLG) placements will account for 15 percent of the total FC placements in AB 12 or an average of 54 monthly cases for FY 2011-12. Nonfederal cases are projected to account for 100 percent of total NDNRLG placements.

Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes that of the additional FC youths served, Foster Family Home (FFH) placements will account for eight percent of the total FC placements in AB 12 or an average of 29 monthly cases for FY 2011-12. Federal cases are projected to account for 66.3 percent of total FFH placements.
- Assumes that of the additional FC youths served, Supervised Independent Living (SIL) placements will account for 15 percent of the total FC placements in AB 12 or an average of 54 monthly cases for FY 2011-12. Federal cases are projected to account for 66.3 percent of total SIL placements.
- Assumes that of the additional FC youths served, Foster Family Agency (FFA) placements will account for 15 percent of the total FC placements in AB 12 or an average of 54 monthly cases for FY 2011-12. Federal cases are projected to account for 80.3 percent of total FFA placements.
- Assumes that of the additional FC youths served, GH placements will account for five percent of the total FC placements in AB 12 or an average of 18 monthly cases for FY 2011-12. Federal cases are projected to account for 53.5 percent of total GH placements.
- Assumes that of the additional FC youths served, THP-Plus FC placements will account for 20 percent of the total FC placements in AB 12 or an average of 72 monthly cases for FY 2011-12. Based on information from the John Burton Foundation, the federal cases are projected to account for 64.5 percent of total THP-Plus FC placements. The estimate assumes that the total cost for the additional FC youths served in the THP-Plus FC will be absorbed through the existing Transitional Housing Placement Program by way of a funding shift.

<u>CalWORKs “Child Only” Caseload</u>

- FC “services only” cases that are ineligible to receive Title IV-E FC payments instead receive a cash-aid grant from the CalWORKs program, but case management services from Child Welfare Services (CWS). They are referred to in CalWORKs as a “child only” case.
- CalWORKs program rules currently allow any child to continue receiving a CalWORKs grant after turning 18 if the child is attending high school and is anticipated to graduate before or by their 19th birthday. The CalWORKs program is currently serving 64.3 percent of all Child Only cases living with a non-needy caretaker relative that turn 18 years old. These cases are eligible to be funded by Temporary Assistance for Needy Families (TANF)/Maintenance of Effort (MOE) and thus are excluded from this estimate.
- Non-minors who choose to remain with their non-needy caretaker relatives and continue receiving a CalWORKs grant will not be subject to the Welfare-to-Work requirements and thus will not receive any supportive services.
- This additional CalWORKs population is not eligible to fund with TANF/MOE; grant costs and administrative funds are funded solely through a state-only program.
- Assumes that 361 FC cases and 42 probation cases will turn 18 each month in FY 2011-12 and can qualify for extended benefits if otherwise eligible as of January 1, 2012.

Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes that 3.6 percent of FC cases on probation are in relative homes and could qualify for a CalWORKS child only grant, resulting in a total of 363 FC cases per month that could possibly qualify for a CalWORKs child only grant.
- Based on a point-in-time caseload distribution from April 2010, it is assumed that 3.82 percent of the FC caseload is a CalWORKs child only case, and that 35.7 percent of those cases are 18 year olds that are not already currently receiving a CalWORKs grant under current policy.
- As with the FC caseload, this estimate assumes that 60.6 percent of FC cases with a CalWORKs child only grant that would normally emancipate will instead have extended benefits through AB 12.
- Assumes that 32 percent of Child Only cases will choose to leave their non-needy caretaker relative, upon turning 18. This action will make them eligible for Title IV-E FC benefits; they will receive their benefit payments under the FC program. The remaining 68 percent of the child only cases will continue to remain with their non-needy caretaker relative and receive a CalWORKs child-only grant.
- The extension of benefits past age 18, starting January 1, 2012, thus results in an additional two cases per month for the CalWORKs program.

Fed-GAP Caseload

- Assumes that 146 cases will enter the Fed-GAP program annually at the age of 16 or older. This is based on entrances into the Kin-GAP program, by age, as of April 1, 2010. 95 percent of these entrances will either enter or transfer to the Fed-GAP program, five percent will either enter or remain in the Kin-GAP program. This includes the impact of Fed-GAP ICPC cases residing outside of California.
- Data from the Urban Institute Report was used to determine how many cases will continue to receive Fed-GAP benefits beyond age 18. See “Foster Care Caseload” for more information.
- Effective January 1, 2012, it is projected that seven Fed-GAP cases per month will receive extended benefits beyond age 18, resulting in an average monthly caseload of 25 cases in FY 2011-12.

AAP Caseload

- Assumes that 151 cases will enter AAP annually at age 16 or older. This is based on entrances into AAP, by age, during FY 2008-09.
- Assumes that 75 percent of cases that enter AAP at age 16 or older will continue to receive benefits beyond age 18.
- Effective January 1, 2012, it is projected that nine AAP cases per month will receive extended benefits beyond age 18, resulting in an average monthly caseload of 33 cases in FY 2011-12.

CalWORKs Cost Avoidance Caseload

- Assumes that a portion of FC youth whose benefits are extended by AB 12 would have otherwise enrolled in the CalWORKs program after emancipating. This estimate includes cost avoidance to CalWORKs because these cases receive extended FC benefits.

Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on the CDSS Foster Care Emancipation Exit Outcomes Report (SOC 405 E) from January - December 2009, it is assumed that 5.4 percent of emancipated FC youth would have otherwise enrolled in the CalWORKs program. This percentage is applied to the total FC caseload and CalWORKs Child Only caseload expected to continue receiving benefits as a result of AB 12 (364 cases per month).
- Assumes that FC non-minors with a child who emancipate at age 18 while living in a GH (33 percent of FC cases) will elect to enroll in the CalWORKs program rather than extend their FC benefits, resulting in cost avoidance for 67 percent of the caseload.
- The extension of benefits through AB 12 thus results in cost avoidance to the CalWORKs program for an average of 13 cases per month, beginning January 1, 2012.

<u>CalFresh Caseload</u>

- Assumes that cases that stay in FC that would otherwise have been eligible for CalFresh under AB 719 and would be reflected as cost avoidance to the Transitional CalFresh for Foster Youth Program.
- Based on an average of 104 cases per month that will receive extended foster care benefits under AB 12, it is assumed that 7.27 percent will not be eligible for CalFresh benefits due to Supplemental Security Income (SSI) benefits. Additionally, approximately 20 percent of the 104 cases will not be eligible for CalFresh benefits due to student status. This results in CalFresh and administrative and grant savings for approximately 75 new cases per month in FY 2011-12.

<u>Kin-GAP Grants</u>

- The projected Kin-GAP grant will be $678.31 for FY 2011-12. This is a combination of the basic grant for ages 15-19, based on the FC FFH schedule of basic rate, at $627, in addition to estimated additional Kin-GAP benefits of $51.31.

<u>Foster Care Grants</u>

- The grants used for the FC placement options of relatives, NDNRLG, and FFH were calculated by adding estimated additional FC benefits of $223.47 to the basic grant for ages 15-19 of $627. The projected federal and/or nonfederal grant for the relatives, NDNRLG, and FFH placements is $850.47 for FY 2011-12.
- The federal and nonfederal grants used for the SIL placement were calculated by adding estimated additional FC clothing allowance benefits of $14.80 to the basic grant for ages 15-19 of $627. The projected federal and nonfederal grant for SIL placements is $641.80 for FY 2011-12.
- The FFA grant is established through the normal budgeting process. The projected federal grant is $1,511.96 and the projected nonfederal grant is $2,091.83 for FFA placements in FY 2011-12. The impact of the ten percent FFA rate reduction is reflected in this grant.
- The GH and THP-Plus FC grants are established through the normal budgeting process. The projected federal grant is $7,025.54 and the projected nonfederal grant is $7,565.49 for GH placements in FY 2011-12. The projected federal and nonfederal grant is $2,906.89 for THP-Plus FC placements in FY 2011-12.

Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

KEY DATA/ASSUMPTIONS (CONTINUED):

- GH and THP-Plus grants have been adjusted to include a 32 percent rate increase and California Necessities Index (CNI) increases starting in FY 2010-11 through FY 2011-12. The CNI projections are 1.57 percent for FY 2010-11 and 2.29 percent FY 2011-12.

CalWORKs Child Only Grants

- The projected Child Only grant will be $345 (the maximum aid payment for an assistance unit of one in CalWORKs) for FY 2011-12.

Fed-GAP Grants

- The projected Fed-GAP grant is $742.89 for FY 2011-12. This is a combination of the basic grant for ages 15-19, based on the FC FFH schedule of basic rate, at $627, in addition to estimated additional Fed-GAP benefits of $115.89.

AAP Grants

- The projected AAP grant is $908.08 for FY 2011-12. This is a combination of the basic grant for ages 15-19, based on the FC FFH schedule of basic rate, at $627, in addition to estimated additional AAP benefits of $281.08.

CalWORKs Cost Avoidance Grants

- The projected grant cost avoidance for FC youth who would have otherwise enrolled in CalWORKs is $561, which is the maximum aid payment for an assistance unit of two.

CalFresh Grants

- The maximum aid benefit for emancipated foster youth receiving Transitional CalFresh benefits is assumed to be $200 per month for the first 12 months in CalFresh in accordance with AB 719.
- Based on historic California Food Assistance Program (CFAP) and CalFresh caseloads, the CFAP caseload/benefits are approximately one percent of the CalFresh caseload/benefits.

Kin-GAP Administration

- Based on actual Kin-GAP expenditure data, the projected average monthly administrative grant is $42.04 per case for FY 2011-12.

Foster Care Administration

- Based on actual FC expenditure data from FY 2009-10, the projected average monthly administrative grant is $94.34 per case for FY 2011-12. The total FC administrative cost is $205,000 for FY 2011-12.
- Assumes that ICPC cases residing outside of California will create a savings to the FC administration. The total FC administrative savings as a result of ICPC cases is $517,000 for FY 2011-12.

CalWORKs Child Only Administration

- The monthly CalWORKs administration cost is $33.58 per case.

Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

KEY DATA/ASSUMPTIONS (CONTINUED):

Fed-GAP Administration

- Based on actual Kin-GAP expenditure data, the projected average monthly administrative grant is $21.02 per case for FY 2011-12.

AAP Administration

- Based on actual AAP expenditure data from FY 2009-10, the projected administrative grant is $16.31 per case for FY 2011-12.

CWS Administration

- Assumes a caseload of 156 dependants and 30 wards will receive extended benefits up to age 19 in FY 2011-12.
- Assumes a workload standard of 31 cases per social worker at a cost of $129,074 per social worker.
- Assumes additional social worker costs for the increased caseloads for the following premises: Group Home Monthly Visits, Caregiver Court Filing, Child Relationships, Increase Funding for Case Worker Visits, Health Oversight and Coordination, Criminal Background Checks, and Personalized Transition Plans.

CalWORKs Cost Avoidance Administration and Services

- The projected administrative cost avoidance for FC youth who would have otherwise enrolled in CalWORKs is a one-time $197.75 intake cost per case and $33.58 per case per month for ongoing administrative costs.
- The projected employment services cost avoidance is $26,848. Representing a loss of 0.003 percent of the employment services caseload.
- The projected child care cost avoidance is $824.68 per child per month. The estimate assumes the normal child care utilization rate for CalWORKs, which is 29.44 percent based on FY 2008-09 actual data.

CalFresh Administration

- It is assumed that the intake cost is $51 per case.
- It is assumed that quarterly reporting requirements do not apply in the first 12 months under Transitional CalFresh under AB 719.

Automation

- It is assumed that the costs for automation are estimated to be $2 million in the Budget Year (BY) and will be split evenly among the programs that are impacted by AB 12.

Kin-GAP

- To estimate the cost of the extending Kin-GAP benefits, 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.

Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

METHODOLOGY:

Foster Care 101

- The basic costs for Relative, NDNRLG, FFH, SIL, FFA, GH, and THP-Plus placements are the product of federal and/or nonfederal monthly caseloads multiplied by the average grants, as identified above.

CalWORKs Child Only

- The grant and admin costs are calculated by multiplying the caseload by the average grant cost per case per month and average admin cost per case per month, respectively.

Fed-GAP

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

AAP

- To estimate the cost of the extending AAP benefits, the total number of casemonths is multiplied by the average AAP rate. AAP administrative costs are calculated by multiplying the projected casemonths by the monthly administrative cost per case.

Foster Care 141

- The FC administrative cost for this premise is the product of projected monthly caseloads multiplied by the average grant, as identified above.

CalWORKs Cost Avoidance

- Grant cost avoidance is calculated by multiplying the maximum aid payment for an assistance unit of two by the number of months that a case would have been on aid.
- Admin cost avoidance is calculated by multiplying the intake costs by the number of new cases and added to the ongoing monthly admin cost multiplied by the number of case-months.
- Services cost avoidance is calculated by removing the cost avoidance caseload from the Employment Services Basic estimate and calculating the difference in estimated expenditures.
- Child Care cost avoidance is calculated by multiplying case-months by the cost per case for child care and by the utilization rate.

CWS Administration

- Basic costs are calculated by dividing the increased caseload by the workload standard, then multiplying by the annual cost of a social worker.
- Social worker costs for additional premises are also included, based on increased caseload.

CalFresh

- CalFresh administrative savings are calculated by multiplying the number of CalFresh eligible cases remaining in foster care per month by the CalFresh intake cost.

Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

METHODOLOGY (CONTINUED):

- The CFAP benefit savings are calculated by multiplying the cumulative number of new CalFresh eligible cases remaining in foster care per month by the maximum CalFresh benefits, then by one percent.

FUNDING:

The AB 12 costs/savings are shared at the same ratios as in their respective programs. Extended benefits through CalWORKs for FC Services Only cases are 100 percent state-funded and not MOE countable. Cost avoidance for CalWORKs grants are 97.5 percent TANF and 2.5 percent county funded; admin, services and child care cost avoidance are 100 percent TANF.

Funding for automation for FC and AAP is split 50 percent federal fund and 50 percent General Fund (GF). Kin-GAP and CalWORKs state-only program costs are 100 percent GF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase is due to the impact of extending all the qualified cases beyond age 18.

EXPENDITURES:

(in 000's)

Summary – Total Funds	2010-11	2011-12
CalWORKs Cost Avoidance	$0	-$99
Kin-Gap	$9	$22
Foster Care	$0	$2,517
Fed-Gap	$0	$118
AAP	$0	$183
CFAP	$0	-$3
CalWORKs Child Only	$0	$15
CalFresh	$0	-$23
THP-Plus	$0	-$869
Automation	$0	$2,000
CWS/CMS Automation	$0	$800
CWS Administration	$0	$938

Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

EXPENDITURES (CONTINUED):

(in 000's)

CalWORKs – Item 101 Grant Cost Avoidance	2010-11	2011-12
Total	$0	-$45
Federal	0	-44
State	0	0
County	0	-1
Reimbursements	0	0

CalWORKs – Item 101 Services Cost Avoidance	2010-11	2011-12
Total	$0	-$27
Federal	0	-27
State	0	0
County	0	0
Reimbursements	0	0

CalWORKs – Item 101 Admin. Cost Avoidance	2010-11	2011-12
Total	$0	-$7
Federal	0	-7
State	0	0
County	0	0
Reimbursements	0	0

CalWORKs – Item 101 Child Care Cost Avoidance	2010-11	2011-12
Total	$0	-$20
Federal	0	-20
State	0	0
County	0	0
Reimbursements	0	0

Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

EXPENDITURES (CONTINUED):

(in 000's)

Kin-GAP – Item 101 Grant Impact	2010-11	2011-12
Total	$8	$21
Federal	0	0
State	6	17
County	2	4
Reimbursements	0	0

Kin-GAP – Item 101 Admin. Impact	2010-11	2011-12
Total	$1	$1
Federal	0	0
State	1	1
County	0	0
Reimbursements	0	0

Foster Care – Item 101 Grant Impact	2010-11	2011-12
Total	$0	$2,829
Federal	0	659
State	0	868
County	0	1,302
Reimbursements	0	0

Fed-GAP – Item 101 Grant Impact	2010-11	2011-12
Total	$0	$112
Federal	0	56
State	0	44
County	0	12
Reimbursements	0	0

Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

EXPENDITURES (CONTINUED):

(in 000's)

AAP – Item 101 Grant Impact	2010-11	2011-12
Total	$0	$179
Federal	0	90
State	0	67
County	0	22
Reimbursements	0	0

California Food Assistance Program – Item 101 Grant Impact	2010-11	2011-12
Total	$0	-$3
Federal	0	0
State	0	-3
County	0	0
Reimbursements	0	0

CalWORKs – Item 101 Grant Impact	2010-11	2011-12
Total	$0	$14
Federal	0	0
State	0	14
County	0	0
Reimbursements	0	0

CalWORKs – Item 101 Admin. Impact	2010-11	2011-12
Total	$0	$1
Federal	0	0
State	0	1
County	0	0
Reimbursements	0	0

Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

EXPENDITURES (CONTINUED):

(in 000's)

Foster Care – Item 141 Admin. Impact	2010-11	2011-12
Total	$0	$-312
Federal	0	-92
State	0	-154
County	0	-66
Reimbursements	0	0

AAP – Item 141 Admin. Impact	2010-11	2011-12
Total	$0	$4
Federal	0	2
State	0	1
County	0	1
Reimbursements	0	0

Fed-GAP – Item 141 Admin. Impact	2010-11	2011-12
Total	$0	$6
Federal	0	3
State	0	3
County	0	0
Reimbursements	0	0

CalFresh – Item 141 Admin. Impact	2010-11	2011-12
Total	$0	-$23
Federal	0	-11
State	0	-12
County	0	0
Reimbursements	0	0

Extend Foster Care, Kin-GAP, and AAP Benefits - AB 12

EXPENDITURES (CONTINUED):

(in 000's)

Automation – Item 141	2010-11	2011-12
Total	$0	$2,000
Federal	0	500
State	0	1,500
County	0	0
Reimbursements	0	0

THP-Plus – Item 151 Shift to FC	2010-11	2011-12
Total	$0	-$869
Federal	0	0
State	0	-869
County	0	0
Reimbursements	0	0

CWS/CMS – Item 151 Automation	2010-11	2011-12
Total	$0	$800
Federal	0	437
State	0	363
County	0	0
Reimbursements	0	0

CWS Admin – Item 151	2010-11	2011-12
Total	$0	$938
Federal	0	306
State	0	457
County	0	175
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 Current Year increase in collections reflects updated actual FC collections.

REASON FOR YEAR-TO-YEAR CHANGE:

This increase in collections reflects updated actual FC collections.

Title IV-E Child Support Collections/Recovery Fund

Offset Collections:

(in 000's)

	2010-11 Grant	2011-12 Grant
Total	-$9,217	-$9,394
Federal	-9,217	-9,394
State	0	0
County	0	0
Reimbursements	0	0

Recovery Fund:

(in 000's)

	2010-11 Grant	2011-12 Grant
Total	$9,217	$9,394
Federal	9,217	9,394
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 2010 as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 66.34 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 2010. The projected federal grant is $714.92 and the nonfederal grant is $805.52.
- 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.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. 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 decrease is the net impact of a projected caseload decrease of 3.6 percent and a slight increase in the non-federal grant and a decrease in the federal grant.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a projected caseload decline of 13.4 percent.

CASELOAD:

	2010-11	2011-12
Average Monthly Caseload	17,457	15,122
Federal Caseload	11,582	10,033
Nonfederal Caseload	5,875	5,089

EXPENDITURES:

(in 000's) **FFH – Basic Costs**	2010-11 Grant	2011-12 Grant
Total	$156,152	$135,263
Federal	44,042	38,151
State	44,844	38,845
County	67,266	58,267
Reimbursements	0	0

Foster Family Home – Basic Costs

EXPENDITURES (CONTINUED):

FFH – Federal	2010-11 Grant	2011-12 Grant
Total	$99,359	$86,068
Federal	44,042	38,151
State	22,127	19,167
County	33,190	28,750
Reimbursements	0	0

FFH – Nonfederal	2010-11 Grant	2011-12 Grant
Total	$56,793	$49,195
Federal	0	0
State	22,717	19,678
County	34,076	29,517
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 2010, as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 53.45 percent of total GH placements.
- The federal and nonfederal average grant computations utilized caseload and expenditure data reported on the CA 237 FC during a 17 month period from July 2008 to November 2009. The projected federal grant is $5,122.80 and the nonfederal grant is $5,516.51. The projected federal and nonfederal grants were held to the 2010-11 Appropriation to reflect GH expenditure data before the GH and Seriously Emotionally Disturbed (SED) Rate Increase was implemented on December 14, 2009.
- The impact of the *California Alliance of Child and Family Services v. Cliff Allenby* court decision will be displayed in the Group Home and SED Rate Increase premise.
- 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.

Group Home – Basic Costs

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.

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 temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. 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 decrease is due to a projected caseload decline of 4.2 percent.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a further projected caseload decline of 7.1 percent.

CASELOAD:

	2010-11	2011-12
Average Monthly Caseload	5,538	5,147
Federal Caseload	2,960	2,751
Nonfederal Caseload	2,578	2,396

EXPENDITURES:

(in 000's)	2010-11	2011-12
GH – Basic Costs	Grant	Grant
Total	$352,620	$327,745
Federal	80,660	74,972
State	108,784	101,109
County	163,176	151,664
Reimbursements	0	0

Group Home – Basic Costs

EXPENDITURES (CONTINUED):

(in 000's)

GH – Federal	2010-11 Grant	2011-12 Grant
Total	$181,967	$169,134
Federal	80,660	74,972
State	40,523	37,664
County	60,784	56,498
Reimbursements	0	0

GH – Nonfederal	2010-11 Grant	2011-12 Grant
Total	$170,653	$158,611
Federal	0	0
State	68,261	63,445
County	102,392	95,166
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 2010, as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 80.34 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 six month period ending June 2010. The projected federal grant is $1,511.96 and the nonfederal grant is $2,091.83.
- The impact of the ten percent FFA rate reduction is now reflected in the FFA Basic Cost.
- 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.

Foster Family Agency – Basic Costs

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.

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.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of Fiscal Year (FY) 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. 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 decrease is an overall impact of a projected caseload decrease of 4.8 percent and a decrease in the non-federal grant and federal grant based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects a projected caseload decline of 5.6 percent.

CASELOAD:

	2010-11	2011-12
Average Monthly Caseload	10,855	10,248
Federal Caseload	8,721	8,233
Nonfederal Caseload	2,134	2,015

EXPENDITURES:

(in 000's)	2010-11	2011-12
FFA – Basic Costs	Grant	Grant
Total	$211,791	$199,960
Federal	70,132	66,215
State	56,664	53,498
County	84,995	80,247
Reimbursements	0	0

Foster Family Agency – Basic Costs

EXPENDITURES (continued):

(in 000's)

FFA– Federal	2010-11 Grant	2011-12 Grant
Total	$158,217	$149,380
Federal	70,132	66,215
State	35,234	33,266
County	52,851	49,899
Reimbursements	0	0

FFA – Nonfederal	2010-11 Grant	2011-12 Grant
Total	$53,574	$50,580
Federal	0	0
State	21,430	20,232
County	32,144	30,348
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 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 a 12 month period from January 2009 to December 2009. The projected average grant for Los Angeles County is $5,564.66. The projected average grant for the remaining counties is $5,825.75. The projected average grants were held to the 2010-11 Appropriation to reflect SED expenditure data before the Group Home and SED Rate Increase was implemented on December 14, 2009.
- The impact of the *California Alliance of Child and Family Services v. Cliff Allenby* court decision will be displayed in the Group Home and SED Rate Increase premise.

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 decrease reflects slower caseload growth than projected for the 2010-11 Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects projected caseload growth.

CASELOAD:

	2010-11	2011-12
Average Monthly Caseload	1,880	1,896

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	Grant	Grant
Total	$129,623	$130,680
Federal	0	0
State	51,849	52,272
County	77,774	78,408
Reimbursements	0	0

Eliminate State Funding for SED

DESCRIPTION:

This premise reflects savings associated with the elimination of state funding from the California Department of Social Services budget for the Seriously Emotionally Disturbed (SED) cases. This reduction was included as part of the 2010-11 Appropriation, and reflects saving for the Current Year (CY) only. The SED program is a separate out-of-home care component of the Foster Care system. Eligible participants are children designated as SED by the California Department of Education. For more information, please see the SED Basic Cost premise description.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Senate Bill 870, Chapter 712, Statue of 2010
- Average grants are based on actual expenditure and caseload data for a 12 month period from January 2009 to December 2009. The projected average grant for Los Angeles County is $5,564.66. The projected average grant for the remaining counties is $5,825.75.
- The projected average grants were held to the 2010-11 Appropriation to reflect SED expenditure data before the Group Home and SED Rate Increase was implemented on December 14, 2009.
- This estimate also impacts the Group Home and SED Rate Increase premise which reflects a 32 percent increase to SED grants and a California Necessities Index increase of 1.57 percent in the CY. For more information, please see the Group Home and SED Rate Increase premise description.
- The average monthly caseload for the SED program is 1,880 for the CY.

METHODOLOGY:

SED savings 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 savings are shared at 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The CY loss of savings reflects slower caseload growth than projected in the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The SED savings are a CY item only.

Eliminate State Funding for SED

EXPENDITURES:
(in 000's)

Eliminate State Funding For SED

	2010-11	2011-12
Total	-$51,849	$0
Federal	0	0
State	-51,849	0
County	0	0
Reimbursements	0	0

Eliminate State Funding For SED - Impact to Rate Increase

	2010-11	2011-12
Total	-$17,666	$0
Federal	0	0
State	-17,666	0
County	0	0
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 28,312 for Fiscal Year (FY) 2010-11, and 25,370 for FY 2011-12.
- 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.

The Title IV-E FMAP rate was temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. 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 decrease reflects lower caseloads than projected in the 2010-11 Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

This decrease reflects a decline in projected caseloads.

EXPENDITURES:

(in 000's)	2010-11	2011-12
	Grant	Grant
Total	$2,831	$2,537
Federal	1,015	913
State	1,816	1,624
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); and
- 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 $150.9 million for Federal Fiscal Year (FFY) 2010 and FFY 2011. $365.3 million in TANF grant dollars in FY 2010-11 and $363.8 million in TANF grant dollars in FY 2011-12 will be transferred to Title XX.
- The FFY awards are adjusted to conform to FY funding needs.

METHODOLOGY:

- In the Current Year (CY) $34.5 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 $32.6 million in the Budget Year (BY) for the non-Title IV-E Waiver counties.

Title XX Funding

METHODOLOGY (CONTINUED):

- In the CY, $21.5 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. The funds decrease to $21.5 million in the BY for the Title IV-E Waiver counties. The estimated available Title XX to transfer to TANF grant dollars assumes the impact of the Group Home and Seriously Emotionally Disturbed (SED) Rate Increase.
- In the CY and the BY, $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: $42.2 million in the CY and $40.9 million in the BY for non-Title IV-E Waiver counties, and $24.2 million for the CY and BY 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 $77.2 million for the CY and BY are added to the Title XX funds shifted to DDS.
- In the Deaf Access Program, $3.0 million in Title XX block grant 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 the BY reflect an additional TANF Title XX amount of $155.8 million and $157.6 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 increased to reflect actual expenditures and estimated premise impacts. The Title XX transfer from TANF to Stage One Child Care decreased due to an increase in Foster Care Group Homes Title XX-eligible costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The overall decrease in TANF funds transferred to Title XX is due to increased Tribal TANF costs in the BY. The overall increase in the amount of TANF transferred to Stage One Child Care through Title XX is due to a decrease in Title XX-eligible costs for CWS and Foster Care in the BY.

Title XX Funding

EXPENDITURES:
(in 000's)

		2010-11 Grant	2011-12 Grant
Total Title XX		**$516,155**	**$514,742**
Title XX Grant		150,899	150,899
TANF Transfer In		365,256	363,843
Foster Care (Transfer from TANF)			
Item 101			
	Federal	$34,454	$32,557
	State	-34,454	-32,557
Item 153			
	Federal	$21,478	$21,473
	State	-21,478	-21,473
CWS Transfer to DDS (Item 151)		**$225,060**	**$ 225,060**
Transfer from Title XX Grant			
	Federal	147,903	147,903
	State	0	0
Transfer from TANF			
	Federal	77,157	77,157
	State	0	0

Title XX Funding

EXPENDITURES (CONTINUED):
(in 000's)

	2010-11 Grant	2011-12 Grant
For CWS (Transfer from TANF)		
Item 151		
Federal	$42,221	$40,881
State	-42,221	-40,881
Item 153		
Federal	$24,150	$24,150
State	-24,150	-24,150
Deaf Access (Item 151)		
Federal	$2,996	$2,996
State	-2,996	-2,996
CalWORKs Child Care (TANF Reconciliation)		
Federal	-165,796	-167,625
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	2010-11 Grant	2011-12 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Item 141 – STEP Eligibility	2010-11 County Admin.	2011-12 County Admin.
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Item 151 – STEP Plan Activity	2010-11 County Admin.	2011-12 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) 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.

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 2010, the projected average grant for EA-FC cases is $1,423.44
- EA casemonths are projected using an 18-month linear trend forecast based on actual caseload data.
- 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 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 Fiscal Year (FY) 2010-11 and FY 2011-12. 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.

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, 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.

Emergency Assistance Program

CHANGE FROM THE APPROPRIATION:

The Item 101 change is a result of increased caseload than was projected in the Appropriation. The administrative costs increase is based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

This Item 101 change reflects a projected increase in caseload.
The administrative costs are updated based on actual expenditures.

CASELOAD:

	2010-11	2011-12
Average Monthly Caseload	3,328	3,342

EXPENDITURES:

(in 000's)

ITEMS 101 & 141 – EA	2010-11		2011-12	
	Grant	County Admin.	Grant	County Admin.
Total	$57,172	$6,328	$57,421	$6,355
Federal	0	0	0	0
State	40,120	5,384	40,295	5,407
County	17,052	944	17,126	948
Reimbursements	0	0	0	0

Expansion of Eligibility for the 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 that would otherwise be placed in more costly group home settings.

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.

The 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 (GH) 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 GH population, in keeping with the state's public policy goals.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011

KEY DATA/ASSUMPTIONS:

- Authorizing statute: SB 1380 (Chapter 486, Statutes of 2008)
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- Twenty cases were assumed as the initial monthly caseload.
- Twenty additional cases were added each successive month until the 750 limit is reached.
- The RCLs 9-11 rate reflect the impact of the 32 percent GH and Seriously Emotionally Disturbed rate increase, as well as a cost of living adjustment of 1.57 percent for the Current Year (CY) and 2.29 percent for the Budget Year (BY).
- The rates of $6,981 for the average of RCLs 9-11 and $4,101 for the average of ITFC Rates A-C are used to calculate potential savings.

Expansion of Eligibility for the Intensive Treatment Foster Care (ITFC) Program (SB 1380)

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.

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:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	0	-$4,494
Federal	0	-1,028
State	0	-1,386
County	0	-2,080
Reimbursements	0	0

Foster Care and AAP Overpayments

DESCRIPTION:

This premise reflects the costs associated with Title IV-E Foster Care (FC) and Adoption Assistance Payment (AAP) 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 the 56 non-Title IV-E Waiver FC counties, and the 58 county AAP program from July 1, 2007.
- 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:

These decreases in costs are based on actual FC and AAP claims.

REASON FOR YEAR-TO-YEAR CHANGE:

FC - The decrease is the result of a projected decline in the overall FC caseload.
AAP- The increase is the result of a projected increase in the overall AAP caseload.

Foster Care and AAP Overpayments

EXPENDITURES:

(in 000's)

ITEM 101 – FC Payments	2010-11 Grant	2011-12 Grant
Total	$1,109	$1,000
Federal	0	0
State	444	400
County	665	600
Reimbursements	0	0

ITEM 101 – AAP Payments	2010-11 Grant	2011-12 Grant
Total	$391	$404
Federal	0	0
State	293	303
County	98	101
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 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 provides 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, Lassen, 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) 2009-10 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.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11.

Title IV-E Foster Parent Child Care Program

CHANGE FROM THE APPROPRIATION:

This decrease is based on updated actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

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

EXPENDITURES:

(in 000's)	2010-11	2011-12
Total	$ 2,448	$2,068
Federal	1,224	1,034
State	0	0
County	1,224	1,034
Reimbursements	0	0

Multi-Treatment Foster Care (MTFC) Program

DESCRIPTION:

This premise reflects the savings associated with expanding the number of children enrolled in the Multi-Treatment Foster Care (MTFC) program in the 56 non-waiver counties, that would otherwise be placed in more costly group home settings. The MTFC program 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 (GH) 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:

This premise will implement on July 1, 2011

KEY DATA/ASSUMPTIONS:

- This estimate reflects 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 GH RCL 12 through 14.
- Five new cases per month are phased into the program upon implementation.
- The RCLs 12 through 14 rate reflect the impact of the 32 percent GH and Seriously Emotionally Disturbed rate increase, as well as a cost of living adjustment of 1.57 percent in the Current Year (CY) and 2.29 percent for the Budget Year (BY).
- The following rates of RCL 12, $8,079, RCL 14, $9,180, 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.

Multi-Treatment Foster Care (MTFC) Program

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.

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:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$0	-$1,337
Federal	0	-394
State	0	-377
County	0	-566
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 implemented 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 only the 56 non-Title IV-E Waiver counties.
- For Fiscal Year FY 2010-11, the estimated number of school age children whose placement is outside of their school district of origin is 10,005. For FY 2011-12, the estimated number of school age children whose placement is outside of their school district of origin is 9,012.
- This premise excludes children that have an Individual Education Plan (IEP).
- This premise excludes Group Home children with a Rate Classification Level (RCL) of 13 and above.
- This estimate assumes the AAA average driving cost of 32 cents per mile. The AAA rate includes costs for gas, vehicle maintenance, tires, insurance, and license/registration/taxes.
- This estimate assumes that 83 percent of the total school age foster care population will utilize a five-tier flat rate system. Of this population, 36.6 percent of children will be driven between 1-5 miles per day, one way to school, 16.8 percent of children will be driven between 6-10 miles per day, one way to school, and 46.6 percent of children will be driven 11 or more miles per day, one way to school. It is assumed that four one way trips will be made each day, per child.
- This estimate assumes the remaining 17 percent of the total school age foster care population will use public transportation at a flat rate of $44 per child per month.
- This estimate assumes an average of 180 school days annually.
- This estimate assumes 15 minutes of social worker time to calculate the amount of educational travel that foster parents are to receive.
- This estimate assumes the hourly cost of a social worker is $72.60.

Educational Stability (P.L. 110-351)

METHODOLOGY:

Foster Care – 101

The annual cost is calculated by multiplying the impacted caseload by the applicable mileage range and flat rate as identified above for 180 school days. For FY 2010-11 the number of school days is 90 based on a January 1, 2010 implementation date. For FY 2011-12 the number of school days is the annual 180.

Automation – 141

Additional costs may be budgeted for updating the automation systems to accommodate the requirements of P.L. 110-351 with regards to reasonable travel.

CWS - 151

The cost is determined by multiplying the hourly cost of a social worker by the caseload, then multiplying by the time per case to determine the amount of educational travel reimbursement.

FUNDING:

Foster Care – 101

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. Nonfederal costs are shared 40 percent General Fund (GF) and 60 percent county.

Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CWS - 151

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, federally eligible costs are shared 50 percent federal and 50 percent nonfederal. Nonfederal costs are shared 70 percent GF and 30 percent county.

CHANGE FROM THE APPROPRIATION:

The Current Year cost decrease is due to lower caseload than projected as well as a decrease in the average driving cost per mile.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year decrease is due to a projected caseload decline.

Educational Stability (P.L. 110-351)

EXPENDITURES:

(in 000's)

Item 101	2010-11	2011-12
Total	$21,685	$19,530
Federal	7,310	6,597
State	5,750	5,173
County	8,625	7,760
Reimbursements	0	0

Item 141 **Automation**	2010-11	2011-12
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Item 151	2010-11	2011-12
Total	$182	$164
Federal	63	57
State	83	75
County	36	32
Reimbursements	0	0

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Group Home and SED Rate Increase

DESCRIPTION:

This premise was ordered by the *California Alliance of Child and Family Services v. Cliff Allenby* court decision. This lawsuit challenged the sufficiency of Foster Care maintenance payments made to Group Home providers. It alleged that California Group Home rates did not fully reimburse Group Home providers for the cost associated with caring for foster children placed in their facilities. The court ruled against the state which has resulted in approximately a 32 percent increase in the rates for all Group Homes and Seriously Emotionally Disturbed (SED) placements statewide, retroactive to December 14, 2009.

IMPLEMENTATION DATE:

This premise implemented on December 14, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: *California Alliance of Child and Family Services v. Cliff Allenby* court decision.
- This estimate reflects costs for all the 56 non-Title IV-E Waiver counties, the Title IV-E Waiver counties, and SED for 58 counties.
- Includes a cost of living (COLA) adjustment of 1.57 percent for the entire Current Year (CY) and 2.29 percent for the entire Budget Year (BY). The COLA is based on the California Necessities Index (CNI).
- The State funding for the SED placements have been eliminated for the CY only. For more information, please see the Eliminate State Funding for SED Premise write-up.

METHODOLOGY:

The SED costs are calculated by increasing the Fiscal Year (FY) 2010-11 average grants by 32 percent, and a COLA of 1.57 percent was included in the average grant beginning July 1, 2010. In FY 2011-12, a COLA of 2.29 percent is included in the average grant beginning July 1, 2011.

The Group Home costs for the 56 non-Title IV-E waiver counties are calculated by increasing the FY 2010-11 average grants by 32 percent, and a COLA of 1.57 percent was included in the average grant beginning July 1, 2010. In FY 2011-12, a COLA of 2.29 percent is included in the average grant beginning July 1, 2011.

The Title IV-E waiver county estimates are calculated by increasing the FY 2010-11 average grants, for both Los Angeles County and Alameda County, by 32 percent, and a COLA of 1.57 percent was included in the average grant beginning July 1, 2010. In FY 2011-12, a COLA of 2.29 percent is included in their average grant beginning July 1, 2011. The impact of the estimated additional availability of Title XX funds is incorporated into the federal and General Fund (GF) costs. Federal participation in the increased costs is contingent on federal approval.

FUNDING:

SED costs are shared 40 percent GF and 60 percent county funds.

Group Home 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 (FMAP) for

Group Home and SED Rate Increase

FUNDING (CONTINUED):

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.

Title IV-E FMAP rate was temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the American Recovery and Reinvestment Act (ARRA) results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. 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 decrease is a result of lower projected caseload for the 56 non-Title IV-E Waiver counties and the Title IV-E Waiver counties.

REASON FOR YEAR-TO-YEAR CHANGE:

This increase is a net result of a projected caseload decrease in Group Home placements offset by a projected caseload increase in SED placements and a COLA increase of 2.29 percent.

EXPENDITURES:

(in 000's)

Item 101 - Total

	2010-11	2011-12
	Grant	Grant
Total	$164,312	$170,271
Federal	27,483	27,846
State	54,732	56,970
County	82,097	85,455
Reimbursements	0	0

Item 101 – Group Home - 56 county	2010-11	2011-12
	Grant	Grant
Total	$120,147	$121,733
Federal	27,483	27,846
State	37,066	37,555
County	55,598	56,332
Reimbursements	0	0

Group Home and SED Rate Increase

EXPENDITURES (CONTINUED):
(in 000's)

Item 101 - SED	2010-11	2011-12
	Grant	Grant
Total	$44,165	$48,538
Federal	0	0
State	17,666	19,415
County	26,499	29,123
Reimbursements	0	0

Item 153	2010-11	2011-12
	Grant	Grant
Total	$50,416	$51,028
Federal	13,628	13,695
State	11,178	11,378
County	25,610	25,955
Reimbursements	0	0

Item 153 – Title XX – GH Rate Increase
(Non Add Line)

	2010-11	2011-12
	Grant	Grant
Total	$0	$0
Federal	4,619	4,615
State	-4,619	-4,615
County	0	0
Reimbursements	0	0

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Eliminate State Funding for SED

DESCRIPTION:

This premise reflects savings associated with the elimination of state funding from the California Department of Social Services budget for the Seriously Emotionally Disturbed (SED) cases. This reduction was included as part of the 2010-11 Appropriation, and reflects saving for the Current Year (CY) only. The SED program is a separate out-of-home care component of the Foster Care system. Eligible participants are children designated as SED by the California Department of Education. For more information, please see the SED Basic Cost premise description.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Senate Bill 870, Chapter 712, Statue of 2010
- Average grants are based on actual expenditure and caseload data for a 12 month period from January 2009 to December 2009. The projected average grant for Los Angeles County is $5,564.66. The projected average grant for the remaining counties is $5,825.75.
- The projected average grants were held to the 2010-11 Appropriation to reflect SED expenditure data before the Group Home and SED Rate Increase was implemented on December 14, 2009.
- This estimate also impacts the Group Home and SED Rate Increase premise which reflects a 32 percent increase to SED grants and a California Necessities Index increase of 1.57 percent in the CY. For more information, please see the Group Home and SED Rate Increase premise description.
- The average monthly caseload for the SED program is 1,880 for the CY.

METHODOLOGY:

SED savings 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 savings are shared at 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The CY loss of savings reflects slower caseload growth than projected in the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The SED savings are a CY item only.

Eliminate State Funding for SED

EXPENDITURES:
(in 000's)

Eliminate State Funding For SED

	2010-11	2011-12
Total	-$51,849	$0
Federal	0	0
State	-51,849	0
County	0	0
Reimbursements	0	0

Eliminate State Funding For SED - Impact to Rate Increase

	2010-11	2011-12
Total	-$17,666	$0
Federal	0	0
State	-17,666	0
County	0	0
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 July 1, 2014.

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. 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 implemented on June 28, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: 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, four counties have submitted plans to participate in the pilot project. They are San Francisco County, Sacramento County, Los Angeles County, and San Bernardino County. Each site has developed a unique RBS program design and funding model.
- This estimate reflects costs for only the 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 $7,917 for Fiscal Year (FY) 2010-11 and $8,099 for FY 2011-12. The rate for RCL level 14 is $8,974 for FY 2010-11 and $9,179 for FY 2011-12.

Residentially Based Services (AB 1453)

KEY DATA/ASSUMPTIONS (CONTINUED):

- The 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.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA Federal Medical Assistance Percentage (FMAP) increases are included in this estimate.
- The overall RBS project sunset date was extended to January 1, 2015.

San Bernardino County

- The San Bernardino County pilot began June 28, 2010 with a maximum capacity of 12 RBS beds.
- The approved RBS rate is $8,835 and the Community Based Services (CBS) rates are as follows: Phase I - Intensive Treatment Foster Care, $4,028, Phase I - Foster Family Agency $1,679; Phase II - Wraparound services $3,571.
- Approximately 72 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 began August 15, 2010 with a maximum capacity of 22 RBS beds.
- The approved RBS rate is $8,031 and the CBS rate is $4,594.
- Approximately 73 percent of the foster youth are eligible for federal funding.
- It is assumed that the youth will spend approximately nine months in the RBS setting and an additional nine months in the CBS setting.
- The average length of stay in a group home is 26 months.

San Francisco County

- The San Francisco County pilot began January 1, 2011 with a maximum capacity of 18 RBS beds.
- The approved RBS rate is $11,000 and the CBS rate is $4,028 for Phase I and $3,500 for Phase II.
- Approximately 75 percent of the foster youth are eligible for federal funding.
- It is assumed that the youth will spend an average of five months in the RBS setting and an additional 18 months in the CBS setting, six months in an ITFC setting and an additional 12 months in an CBS setting.
- The average length of stay in a group home is 24 months.

Residentially Based Services (AB 1453)

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 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.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11.

CHANGE FROM THE APPROPRIATION:

The decrease is due to a delay in implementation dates for all three counties.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects a full year implementation for all three counties.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	-$41	-$3,848
Federal	-138	-1,806
State	39	-817
County	58	-1,225
Reimbursements	0	0

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Federal Kinship Guardianship Assistance Payment Program (AB 12)

DESCRIPTION:

This premise reflects the costs associated with the federal Kinship Guardianship Assistance Payment (Fed-GAP) program. This program is authorized by Assembly Bill (AB) 12 (Chapter 559, Statutes of 2010), which exercised the federal option contained in Public Law (P.L.) 110-351, the Fostering Connections to Success and Increasing Adoptions Act of 2008, which permits states to opt into 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 are 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 child must have been in an approved or licensed relative home for six consecutive months prior to guardianship.

Effective January 1, 2011, current Kinship Guardianship Assistance Payment (Kin-GAP) program cases that are federal Title IV-E eligible will convert to the Fed-GAP program upon annual redetermination. Prospective federally eligible cases that would have entered the Kin-GAP program on or after January 1, 2011, will now enter the Fed-GAP program.

IMPLEMENTATION DATE:

This premise will implement January 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 12, P.L. 110-351.
- The average Fed-GAP grant payment is based on the average Kin-GAP grant payment, which is then increased due to 15 percent of federally eligible Kin-GAP cases qualifying for enhanced benefits, which previously were ineligible to receive such benefits, upon reassessment. The average Fed-GAP grant payment is $674.72.
- It is projected that on December 31, 2010, there will be 12,778 federally eligible Kin-GAP cases that will convert to the Fed-GAP program. The conversion will occur on the date of the annual redetermination. Assuming the date of the redetermination is spread out evenly over the course of one year, 1,065 cases will leave Kin-GAP each month for twelve months. Of the 1,065 monthly cases, 195 cases will discontinue. The number of discontinuances is based on a twelve month average of discontinued Kin-GAP cases reported on the CA 237 Kin-GAP Caseload Movement Report. Therefore, 870 converted cases will enter Fed-GAP each month.
- Assumes 142 new cases will enter Fed-GAP each month. This is based on a 12 month average of Title IV-E eligible cases entering Kin-GAP from Foster Care reported on the CA 237 Kin-GAP Caseload Movement Report.

Federal Kinship Guardianship Assistance Payment Program (AB 12)

KEY DATA/ASSUMPTIONS (CONTINUED):

- Administrative costs for new Fed-GAP cases assumes 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 for converted Fed-GAP cases assume six hours, which include the two hours to complete an initial assessment, as well as one hour for determining Title IV-E eligibility, and three hours of social worker time to visit the home of the guardian. The cost for these six hours is $72.60 per hour.
- State and county expenditures associated with Fed-GAP cases are not eligible for the state's Temporary Assistance for Needy Families maintenance of effort (MOE) requirement.
- 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:

Fed-GAP basic costs are the product of the projected casemonths and the average grant, as identified above.

Fed-GAP administrative costs are the product of the projected cases by the applicable hours per case.

FUNDING:

The Fed-GAP program will be 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 nonfederal costs will be paid with 79 percent General Fund (GF) and 21 percent county funds.

Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

For administrative costs, the federal portion will be 50 percent of the federal discount rate (67 percent), with the remaining balance paid with GF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects a full year of costs.

Federal Kinship Guardianship Assistance Payment Program (AB 12)

CASELOAD:

	2010-11	2011-12
Average Monthly Caseload	3,542	10,780

EXPENDITURES:

(in 000's)

Item 101 – Fed-GAP Basic Costs	2010-11 Grant	2011-12 Grant
Total	$14,339	$87,286
Federal	7,169	43,643
State	5,664	34,478
County	1,506	9,165
Reimbursements	0	0

(in 000's)

Item 141 – Fed-GAP Administration	2010-11 Admin.	2011-12 Admin.
Total	$2,397	$2,520
Federal	803	844
State	1,594	1,676
County	0	0
Reimbursements	0	0

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

DESCRIPTION:

This premise reflects the impact of increasing the Federal Medical Assistance Percentage (FMAP) rate for the Foster Care (FC), Federal Kin-GAP (Fed-GAP) and Adoption Assistance Payment (AAP) programs due to the enactment of the American Recovery and Reinvestment Act (ARRA) of 2009. The FMAP rate increased from 50 percent to 56.2 percent, effective October 1, 2008, through December 31, 2010. From January through March 2011, the FMAP rate will equal 53.2 percent, and from April through June 2011, the FMAP rate will equal 51.2 percent. On July 1, 2011, the FMAP rate will revert back to 50 percent.

This premise also reflects the impact of increasing the FMAP rate for the In-Home Supportive Services (IHSS) Personal Care Services Program (PCSP) and IHSS Plus Option (IPO) programs from 50 percent to 61.594, effective October 1, 2008, through December 31, 2010. From January 1, 2011, through March 31, 2011, the FMAP rate will equal 58.766 percent, and from April 1, 2011, through June 30, 2011, the FMAP rate will equal 56.881 percent. On July 1, 2011, the FMAP rate will revert back to 50 percent for services under the PCSP and IPO programs.

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 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 federal AAP cases will be eligible for the FMAP increase.
- Assumes only federal FC cases will be eligible for the FMAP increase.
- Assumes that impact to the FC Group Home (GH) rate increase. For more information, please see the GH Rate Increase premise write-up.
- Assumes Fed-GAP cases will be eligible for the FMAP increase.
- Assumes only PCSP and IPO cases will be eligible for the FMAP increase.
- The Fiscal Year (FY) 2010-11 Appropriation ARRA values have been adjusted to reflect the updated FMAP rates. The IHSS impact is shown separately on the “Impact of Phase Down of ARRA FMAP Increase” line.
- Assumes an expiration date of June 30, 2011.

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

METHODOLOGY:

Item 101 and Item 153

AAP – the federal share increased by 6.2 percent for the first half of the Current Year (CY), then by 3.2 percent from January through March 2011, and then by 1.2 percent from April through June 2011. This is equivalent to a blended rate of 54.2 percent for FY 2010-11. The additional federal funding results in corresponding savings for state and county shares.

FC – the federal share of foster care cash payments increased by 6.2 percent for the first half of the CY, then by 3.2 percent from January through March 2011, and then by 1.2 percent from April through June 2011. This is equivalent to a blended rate of 54.2 percent for FY 2010-11. The additional federal funding results in corresponding savings for state and county shares of the foster care cash payments.

Fed-GAP – the federal share will increase by 3.2 percent from January through March 2011, and then by 1.2 percent from April through June 2011. This is equivalent to a blended rate of 52.2 percent for FY 2010-11. The additional federal funding results in corresponding savings for state and county shares of the Fed-GAP cash payments.

Item 111

IHSS – the federal share of PCSP and IPO cases increased from the base rate of 50 percent by 11.594 percent for the first half of the CY, then by 8.766 percent from January 1, 2011, through March 31, 2011, and then by 6.881 percent from April 1, 2011, through June 30, 2011. This is equivalent to a blended rate of 59.709 percent for FY 2010-11. The additional federal funding results in corresponding savings for state and county shares of the eligible IHSS cases.

FUNDING:

Item 101 and Item 153

FC – Federal funding is authorized under the provisions of Title IV-E of the Social Security Act with an FMAP rate of 50 percent. The balance of the FC funding is paid with 20 percent General Fund (GF) and 30 percent county funds. The waiver counties' FC FMAP increase was computed utilizing the base plus two percent growth. The waiver counties' FC FMAP increase for the GH rate increase is funded with an FMAP rate of 50 percent, with the balance being shared at 20 percent state and 30 percent county.

AAP – Federal funding is authorized under the provisions of Title IV-E of the Social Security Act with an FMAP rate of 50 percent. The balance of the AAP program is paid with 75 percent GF and 25 percent county funds.

Fed-GAP – Federal funding is authorized under the provisions of Title IV-E of the Social Security Act with an FMAP rate of 50 percent. The balance of the Fed-GAP program is paid with 79 percent GF and 21 percent county funds.

Item 111

IHSS – Federal funding for PCSP and IPO services is authorized under the provisions of Title XIX of the Social Security Act with a blended FMAP rate of 59.709 percent. The nonfederal share of the PCSP and IPO programs are 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 CY loss of savings is due to a decrease in the federal costs in the FC program. There is no change for the Title IV-E waiver counties.

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

Fed-GAP – This is a new premise.

IHSS – The CY increase, including the "Impact of Phase Down of ARRA FMAP Increase" table line, reflects an increase in federally eligible IHSS program costs.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a CY item only.

EXPENDITURES:

(In 000's)

Foster Care – 101 (Includes Fed-GAP)	2010-11	2011-12
Total	$0	$0
Federal	19,611	0
State	-7,844	0
County	-11,767	0
Reimbursements	0	0

Adoption Assistance – 101	2010-11	2011-12
Total	$0	$0
Federal	28,707	0
State	-21,530	0
County	-7,177	0
Reimbursements	0	0

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

EXPENDITURES (CONTINUED):

(In 000's)

IHSS – 111	2010-11	2011-12
Total	$0	$0
Federal	0	0
State	-339,559	0
County	-182,840	0
Reimbursements	522,399	0

Title IV-E Waiver – 153	2010-11	2011-12
Total	$0	$0
Federal	15,067	0
State	-6,027	0
County	-9,040	0
Reimbursements	0	0

Title IV-E Waiver – 153	2010-11	2011-12
Impact to the Group Home Rate Increase		
Total	$0	0
Federal	1,284	0
State	-514	0
County	-770	0
Reimbursements	0	0

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 84.2 percent of the total AAP payment caseload, based on data through June 2010 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 $813.42 and $812.60, respectively, for Fiscal Year (FY) 2010-11 and $823.02 and $818.68, respectively, for FY 2011-12, 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.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. 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 a decrease in the average monthly caseload and the average grant.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year change reflects an increase in the projected average monthly caseload and the average grant.

CASELOAD:

	2010-11	2011-12
Average Monthly Caseload	85,281	88,431

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	Grant	Grant
Total	$832,286	$872,635
Federal	340,970	357,750
State	368,487	386,164
County	122,829	128,721
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 (FC) 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, which was an omnibus child welfare bill designed to ensure greater permanence 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).
- W&IC sections 16118 and 16132 contain the requirement of the re-investment of savings as stated in AB 154.
- Caseload data based on FC exits to AAP from January 2009 through December 2009.
- The Current Year (CY) caseload equals an average monthly caseload of 227 qualified, non-federal cases. This includes cases that were in FC for more than five years, or are ages 14 and older, and the siblings of these cases that were placed in the same adoption placement.
- The Budget Year (BY) caseload equals an average monthly caseload of 436 qualified, non-federal cases. This includes cases that were in FC for more than five years, or are ages 12 and older, and the siblings of these cases that were placed in the same adoption placement.
- The non-federal average grants are $812.60 for Fiscal Year (FY) 2010-11, and $818.68 for FY 2011-12, 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 (GF) 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.

Adoption Assistance Program – De-Link (P.L. 110-351)

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, and AAP sharing ratios. The difference between these costs results in a savings to GF and county expenditures, with a corresponding increase in federal 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 GF and 25 percent county.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. 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 CY change reflects an increase in caseload and an increase in the average non-federal grant.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects a projected caseload increase, due to allowing the 12 years and older age group, and their siblings, to qualify for this premise.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total Savings	Grant	Grant
Total	$0	$0
Federal	1,105	2,142
State	-829	-1,606
County	-276	-536
Reimbursements	0	0

Adoption Assistance Program – De-Link (P.L. 110-351)

EXPENDITURES (CONTINUED):

(in 000's)

	2010-11	2011-12
Savings Funding RBS	Grant	Grant
Total	-$97	$0
Federal	0	0
State	-39	0
County	-58	0
Reimbursements	0	0

	2010-11	2011-12
Remaining AAP De-Link Savings	Grant	Grant
Total	$97	$0
Federal	1,105	2,142
State	-790	-1,606
County	-218	-536
Reimbursements	0	0

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AAP Reform – No Increase Based on Age

DESCRIPTION:

This premise reflects the savings associated with not increasing the grant amount for a child who enters the Adoption Assistance Program (AAP) on or after January 1, 2010, 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 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. 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 implemented 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 84.2 percent of the total AAP payment caseload, based on data through June 2010, as reported on the CA 800 claim forms.
- Based on Fiscal Year (FY) 2008-09 entries into AAP, 1,532 cases annually 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 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 (GF) and 25 percent county.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. 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 (CY) increase in GF savings is due to an increase in the non-federal caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year (BY) increase is due to the accumulation of cases from the CY through the BY.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	Grant	Grant
Total	-$790	-$1,550
Federal	-333	-653
State	-343	-673
County	-114	-224
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.
- Welfare and Institutions Code sections 13275 through 13282 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 $294.83, based on actual expenditures and caseload from July 2009 – March 2010.
- The average monthly caseload is estimated at 3,068 cases for Fiscal Year (FY) 2010-11 and 3,208 cases for FY 2011-12

METHODOLOGY:

The RCA average grant is multiplied by the estimated caseload to arrive at the 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:

The decrease is due to a lower cost per case and a lower average monthly caseload projection.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects an increasing caseload trend.

Refugee Cash Assistance – Basic Costs

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$10,855	$11,349
Federal	10,855	11,349
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. The fund has a sunset date of January 1, 2014.

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 2009 through May 2010 of $477,231, additional charges of $18,782 from prior years, unspent funds of $781 from Fiscal Year (FY) 2009-10, and interest earnings of $4,251.
- The Budget Year (BY) reflects the estimated amount of contributions to the EFAP fund from June 2010 through May 2011 of $528,000, the fund balance of $848, and estimated interest of $5,000.
- The estimated annual administrative costs, including FTB, SCO, and other miscellaneous charges, are $11,633 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 FY 2010-11. The BY reflects the estimated amount of contributions to the EFAP fund in the state income tax year, plus interest earned in the prior year and the fund balance from FY 2010-11, less the annual administrative costs to the fund.

FUNDING:

The costs are 100 percent from the EFAP fund.

CHANGE FROM THE APPROPRIATION:

The CY has been updated based on actual contributions, interest earnings, and charges to the fund.

Emergency Food Assistance Program Fund

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase is primarily due to a projected increase in taxpayer contributions.

EXPENDITURES:

(in 000's)

	2010-11 Grant	2011-12 Grant
Total	$451	$522
Federal	0	0
State	451	522
County	0	0
Reimbursements	0	0

The Emergency Food Assistance Program (TEFAP)

DESCRIPTION:

This premise reflects the administrative funds for TEFAP. These are 100 percent federal funds, used to support the United States Department of Agriculture's (USDA) Commodity Household Food Distribution Program. This premise reflects the move of TEFAP funds from State Operations to the Local Assistance budget in order to expedite the reimbursement and avoid delay of providing funds to food banks and California Foodlink.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- In Federal Fiscal Year (FFY) 2010, California received a federal grant amount of $9.6 million to fund TEFAP.
- It is assumed that California will also receive federal grants of $9.6 million in FFY 2011.

METHODOLOGY:

The total TEFAP grant amount to California in the amount of $9.6 million in the FFY 2010 will be used for TEFAP in the Fiscal Year (FY) 2010-11 and FY 2011-12.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$9,621	$9,621
Federal	9,621	9,621
State	0	0
County	0	0
Reimbursements	0	0

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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 CalFresh benefits unless they were exempt under certain refugee categories. Federal CalFresh 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. The program also serves legal noncitizens that entered the country on or after August 22, 1996, who are otherwise eligible.

The CalFresh Reauthorization Act of 2002 (H.R. 2646 Farm Bill) restored federal CalFresh 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 in a separate premise.

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.
- 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 CalFresh (NACF) trend forecasts.
- The total number of CFAP recipients is projected by applying the CalWORKs and NACF trend forecast based on actual numbers of recipients through July 2010.
- The projected average monthly number of CFAP recipients is 38,179 for Fiscal Year (FY) 2010-11 and 43,382 for FY 2011-12.
- The projected average monthly number of CFAP households is 14,894 for FY 2010-11 and 16,924 for FY 2011-12.
- The average coupon value per person is $115.68 for FY 2010-11 and $116.31 for FY 2011-12. These costs reflect the updated Standard Utility Allowance (SUA) increase effective October 1, 2010 and continue to reflect the American Recovery and Reinvestment Act of 2009 (ARRA) of 2009 13.6% benefit increase.
- 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.
- It is assumed that the administrative cost for FY 2010-11 is held to Appropriation.

California Food Assistance Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- The ratio between public assistance (PA) and non-assistance (NA) is 17.5 percent PA and 82.5 percent NA for FY 2010-11, and 15.3 percent PA and 84.7 percent NA for FY 2011-12.

- 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 ($115.68 for FY 2010-11 and $116.31 for FY 2011-12) by the projected average monthly number of recipients (38,179 for FY 2010-11 and 43,382 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.

Annual coupon costs include the costs that come from Prospective Budgeting. These costs are $1,809,162 in FY 2010-11 and $2,055,697 in FY 2011-12.

Administrative costs are calculated by multiplying the average administrative cost per case ($25.01) by the projected monthly number of households and then by the number of months.

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:

For Admin, there is no change. For grants, the increase in costs is associated with a higher than expected caseload growth and the SUA increase.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects an increase in caseload.

CASELOAD:

	2010-11	2011-12
Average Monthly Number of Recipients	38,179	43,382

California Food Assistance Program

EXPENDITURES:
(in 000's)

ITEM 101 – Grants	2010-11	2011-12
	Coupon	Coupon
Total	$51,205	$58,514
Federal	0	0
State	51,205	58,514
County	0	0
Reimbursement	0	0

ITEM 141 – Admin	2010-11	2011-12
	Admin	Admin
Total	$4,534	$5,079
Federal	0	0
State	4,534	5,079
County	0	0
Reimbursement	0	0

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Expanded Modified Categorical Eligibility

DESCRIPTION:

This premise reflects the impact of expanding Modified Categorical Eligibility (MCE) for CalFresh to improve nutrition and promote the development and retention of assets and resources for needy households who meet all other CalFresh program eligibility requirements, pursuant to Assembly Bill (AB) 433 (Chapter 625, Statutes of 2008). This bill extends MCE for CalFresh to individuals and families who are eligible to receive Temporary Assistance for Needy Family (TANF)-funded benefits. This premise reflects the expansion of MCE for families and Able-Bodied Adult Without Dependents (ABAWD)-like individuals. Please also refer to the Extension Modified Categorical Eligibility Premise regarding the extension of MCE to additional individuals.

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 CalFresh by providing a TANF-funded service to these households.
- Based on the May 2007 Mathematica Policy Research study of assets for low-income households, 23.4 percent of asset ineligible households have children under 18. Additionally, the study states that 21.2 percent represent the ABAWD-like adults who are also asset ineligible.
- Based on the participation rate of the working poor in California, it is assumed that 34 percent of families and individuals who were denied CalFresh benefits due to their assets, would participate if provided MCE.
- This results in an increase to the CalFresh caseload of 4.37 percent due to families with children under the age of 18 and 3.97 percent due to ABAWD-like individuals as a result of expanding MCE.
- It is assumed that MCE for families implemented July 1, 2009. The overall average monthly caseload for families is 42,102 cases in Fiscal Year (FY) 2010-11 and 49,100 cases in FY 2011-12.
- It is assumed that the expansion of MCE to individuals will phase in over six months beginning February 1, 2011, and the number of individuals potentially eligible for MCE is 38,248 in FY 2010-11 and 44,606 in FY 2011-12.
- Due to the phase-in, it is assumed that MCE will be implemented for 6,375 new cases per month resulting in a total of 31,874 individuals in FY 2010-11
- It is assumed that the intake cost for an Eligibility Worker (EW) to process a Non-Assistance CalFresh (NACF) case is $51 per case. It is assumed that when cases are fully implemented after six months of phase-in, four percent attrition will occur due to caseload movement in and out of the program.

Expanded Modified Categorical Eligibility

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is assumed that the cost for an EW to process NACF continuing cases on a quarterly basis is $39.33 per case.
- It is assumed that 7.2 percent of the new cumulative caseload would be require mid-quarter reporting changes. It is assumed that the administrative cost for an EW to process a mid-quarter report is $28.23.
- Based on updated coupon cost expenditures from FY 2009-10 updated for the Standard Utility Allowance (SUA) increase effective October 1, 2010, it is assumed that the average monthly coupon value for families with minors under the age of 18 is $351.35 and $150.12 for individuals.
- Based on historical experience, it is assumed that California Food Assistance Program (CFAP) benefit and administration costs consist of approximately one percent of CalFresh costs.
- The CFAP Public Assistance CalFresh costs of 17.5 percent in FY 2010-11 and 15.3 percent in FY 2011-12 are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The CFAP NACF costs of 82.5 percent in FY 2010-11 and an 84.7 percent in FY 2011-12 are not considered MOE eligible.

METHODOLOGY:

- The average monthly increase in caseloads that will receive benefits is calculated by multiplying the cumulative monthly cases by the coupon value, then by one percent for CFAP cases.

  E.g., Current Year [CY]:

  (42,102 family cases x $351.35 coupon x 12 months x one percent = $1.775 million)
  (6,375 individual cases x $151.12 coupon x one percent = $9,570 per month)
  For individuals, the costs are cumulated for five months, resulting in CFAP benefit costs of $0.143 million in the CY.

- The total intake cost is calculated by multiplying the average number of cases in the year by the intake costs.

  (42,102 family cases x 4 percent attrition x $51 intake x 12 months = $1.030 million)
  (6,375 individual cases x $51 x 5 months = $1.626 million in the CY.)

- The quarterly administration cost is calculated by multiplying the new cumulative cases by $39.33 on a quarterly basis. For individuals, the quarterly costs are calculated only for those cases that will have a quarterly report in the CY.

  (42,102 family cases x $39.33 x 4 quarters a year = $6.624 million)
  (12,750 individual cases x $39.33 = $0.501 million in the CY)

Expanded Modified Categorical Eligibility

METHODOLOGY (CONTINUED):

- The mid-quarter reporting cost is calculated by multiplying the average monthly cases by 7.2 percent, then by mid-quarter costs.

  (42,102 family cases x 7.2 percent x $28.23 x 12 months = $1.027 million)
  (6,375 individual cases x 7.2 percent x $28.23 = $13,000 per month)

  For individuals, the mid-quarter costs are cumulative for four ongoing months, resulting in administrative costs of $0.130 million in the CY)

FUNDING:

The CalFresh benefit costs are 100 percent federally funded. The CFAP administration and benefit costs are 100 percent General Fund (GF). CalFresh administration costs are shared 50 percent federal and 50 percent GF. The GF portion of these costs is funded with reimbursement funds from the Food Stamp Nutrition Education (FSNE)/California Nutrition Network pass through plan. It is assumed that FSNE funds are only available in the CY. Please see the "FSNE shift to the California Department of Social Services" premise for a more detailed description of this transfer.

CHANGE FROM THE APPROPRIATION:

The change is associated with the delay of implementing the expansion of categorical eligibility for individuals from June 1, 2010, to February 1, 2011.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is associated with full implementation and projected caseload growth.

EXPENDITURES:

(in 000's)

ITEM 101 – CFAP Grants	2010-11	2011-12
	Grant	Grant
Total	$1,918	$2,874
Federal	0	0
State	0	2,874
County	0	0
Reimbursements	1,918	0

Expanded Modified Categorical Eligibility

EXPENDITURES:

(in 000's)

141 – CalFresh Administration	2010-11	2011-12
Total	$10,938	$18,828
Federal	5,469	9,414
State	5,469	9,414
County	0	0
Reimbursements	0	0

141 – CFAP Administration	2010-11	2011-12
Total	$109	$188
Federal	0	0
State	0	188
County	0	0
Reimbursements	109	0

Extended Modified Categorical Eligibility

DESCRIPTION:

This premise reflects the extension of Modified Categorical Eligibility (MCE) for CalFresh benefits to a broader range of individuals, pursuant to Assembly Bill (AB) 433 (Chapter 625, Statues of 2008). MCE for CalFresh benefits is extended to individuals who are eligible to receive Temporary Assistance for Needy Families (TANF)-funded benefits and will allow these individuals to be eligible for CalFresh benefits regardless of their resources. MCE for CalFresh benefits is extended to all otherwise eligible Non-Assistance CalFresh (NACF) households (i.e., seniors and disabled individuals). Please reference the Expanded Modified Categorical Eligibility premise regarding the initial expansion of MCE to families and individuals and for additional information.

IMPLEMENTATION DATE:

This premise assumes a February 1, 2011, implementation date.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18901.5.
- It is assumed that this premise allows applicants who meet income-eligibility requirements, but have resources that exceed the eligibility limits to become eligible for the CalFresh by providing a Temporary Assistance for Needy Families (TANF)-funded service to these households.
- A May 2007 Mathematica Policy Research study indicated that 54.9 percent of seniors and disabled individuals who would have otherwise been eligible for CalFresh benefits were denied due to their assets.
- Based on participation data collected from other states with a similar program, it is assumed that 22 percent of this population will participate in the CalFresh program if provided MCE. It is assumed that this results in an increase to the CalFresh caseload of approximately 6.65 percent.
- Therefore, it is assumed that the additional individual cases potentially eligible for MCE as a result of this extension is 81,988 in Fiscal Year (FY) 2010-11 and 95,425 in FY 2011-12.
- It is assumed that the overall caseload will phase in over six months beginning February 1, 2011. Due to the phase-in, it is assumed that MCE will be implemented for 13,665 new cases per month, resulting in a total of 68,323 cases in FY 2010-11.
- It is assumed that the intake cost for an Eligibility Worker (EW) to process a NACF case is $51 per case. It is assumed that when cases are fully implemented after six months of phase-in, four percent attrition will be occur due to caseload movement in and out of the program.
- It is assumed that 7.2 percent of cases with earned income would require mid-quarter reporting changes. It is assumed that the administrative cost for an EW to process a mid-quarter report is $28.23.
- It is assumed that the cost for an EW to process NACF continuing cases is $39.33 per case. The costs are quarterly for seniors or disabled individuals with earned income who are subject to quarterly reporting. It is assumed that seniors or disabled individuals with no earned income are change reporters and ongoing administrative costs will apply once a year, not quarterly.

Extended Modified Categorical Eligibility

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on the Federal Fiscal Year 2008 data, approximately six percent of seniors/disabled individuals have earned income and approximately 94 percent have no earned income. Therefore, of the 13,665 new cases per month, it is assumed that 864 have an earned income and 12,801 cases have no earned income in FY 2010-11.
- Based on coupon cost expenditures from FY 2009-10 updated for the Standard Utility Allowance (SUA) increase effective October 1, 2010, it is assumed that the average monthly coupon value for an individual is $150.12.
- Based on historical experience, it is assumed that California Food Assistance Program (CFAP) benefit and administration costs consist of approximately one percent of CalFresh costs.
- The CFAP Public Assistance CalFresh costs of 17.5 percent in FY 2010-11 and 15.3 percent in FY 2011-12 are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The CFAP NACF costs of 82.5 percent in FY 2010-11 and an 84.7 percent in FY 2011-12 are not considered MOE eligible.

METHODOLOGY:

- The CFAP benefit costs are calculated by multiplying the cumulative monthly caseload by the coupon value, then by one percent for CFAP cases.

  (E.g., Current Year [CY]: 13,665 cases x $150.12 coupon x 1 percent = $20,500 for one month) *Costs are cumulated for 5 months in the CY, resulting in CFAP benefits of $308,000.*

- The total intake cost is calculated by multiplying the number of cases per month by the intake costs by the number of months in the year.

  (13,665 cases x $51 intake x 5 months = $3.484 million in the CY)

- Individuals with earned income are subject to quarterly reporting requirements. The administrative cost for cases reporting quarterly is calculated by multiplying the new cumulative cases by $39.33 on a quarterly basis. However, for the CY, quarterly costs are calculated only for those cases that will have a quarterly report in the CY due to phase-in of caseload. For cases with no earned income, the administration cost is calculated by multiplying the number of cumulative cases in a year by the ongoing administrative cost.

  (1,728 cases with quarterly reporting in CY x $39.33 = $0.068 million in the CY)
  (51,204 cumulative cases with no quarterly reporting x $39.33 = $2.014 million in the CY)

- The mid-quarter reporting cost for individuals with earned income is calculated by multiplying the cumulative monthly cases by 7.2 percent, then by the mid-quarterly cost.

  (864 earned income cases x 7.2 percent x $28.23 = $1,750 per month)
  The cost is cumulated for four ongoing months in the CY, resulting in administrative costs of $0.018 million.

Extended Modified Categorical Eligibility

FUNDING:

The CFAP administration and benefit costs are 100 percent General Fund (GF). CalFresh administration costs are shared 50 percent federal and 50 percent GF. The GF portion of the CY costs is partially funded with reimbursement funds from the Food Stamp Nutrition Education (FSNE)/California Nutrition Network pass through plan. For the Budget Year (BY), the state share is 100 percent GF since it is assumed that FSNE funds will no longer be available. Please see the "FSNE shift to the California Department of Social Services" premise for a more detailed description of the funding shift.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to anticipated caseload growth and the reflection of a full year of implementation in the BY.

EXPENDITURES:

(in 000's)

101 – CFAP Grants	2010-11	2011-12
Total	$308	$1,719
Federal	0	0
State	308	1,719
County	0	0
Reimbursements	0	0

141 – CalFresh Administration	2010-11	2011-12
Total	$5,584	$7,446
Federal	2,792	3,723
State	2,792	3,723
County	0	0
Reimbursements	0	0

Extended Modified Categorical Eligibility

EXPENDITURES (CONTINUED):
(in 000's)

141 – CFAP Administration	2010-11	2011-12
Total	$56	$74
Federal	0	0
State	56	74
County	0	0
Reimbursements	0	0

Transitional CalFresh for Foster Youths (AB 719)

DESCRIPTION:

This premise reflects the implementation of Transitional CalFresh (CF) for Foster Youth pursuant to the provisions of Assembly Bill (AB) 719. 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 CalFresh without regard to income or resources. Those adolescents who are aging out of FC will be exempt from reporting requirements during the 12-month certification period and will receive the maximum ($200) CF benefit amount for a household size of one.

IMPLEMENTATION DATE:

This premise will implement in January 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18901.4
- Assumes the California Department of Social Services will obtain the necessary federal waiver to implement this policy with maximum benefits and exemptions from reporting as intended under AB 719.
- The FC youth who will be impacted are those whom do not already receive CF benefits, CalWORKs, and/or are classified as students.
- According to the most recent statewide statistics, approximately 4,994 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 or 924 cases of FC youth that age out of FC will receive CF.
- Based on data provided by counties, it is assumed that 20 percent or 999 cases of FC youth who age out will be ineligible for CF based on their student status. Based on the Youth Aging Out of Foster Care Quarterly Statistical Report, it is assumed that 7.27 percent or 363 cases of aging out FC youth will be ineligible for CF due to SSI benefits.
- According to the 2010 Maximum Food Stamp Allotment Data, FC youth within the first year of leaving foster care, will receive a maximum monthly allotment of $200.
- Based on historic California Food Assistance Program (CFAP) and CF caseloads, the CFAP caseload/benefits are approximately one percent of the CF caseload/benefits.
- It is assumed that the cost for an Eligibility Worker (EW) to process Non-Assistance CalFresh (NACF) and the CFAP application is $51.00 per case
- It is assumed that after 12 months of Transitional CalFresh, the cases/application will be reprocessed to continue in CalFresh.
- It is assumed that all cases are exempt from reporting requirements for the first 12 months.

Transitional CalFresh for Foster Youths (AB 719)

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on information received from the Consortia, the projected automation cost for this premise is approximately $1.4 million in FY 2010-11. There are no costs in FY 2011-12 due to completion of automation in the Current Year (CY).

METHODOLOGY:

- The overall increase in the CF caseload is calculated using the following equation:
  (4,994 FC youth aging out – 924 FC youth who currently receive CF – 999 ineligible based on their student status – 363 who are ineligible due to SSI benefits = 2,708 cases annually or 226 new cases monthly).
- The administrative cost associated with processing the new cases is calculated by multiplying the new monthly cases eligible for CF benefits by the EW cost.
  FY 2010-11: (226 cases x $51 x 6 months = $70,000)
- The CFAP benefits are calculated by multiplying new monthly cumulative caseload by the maximum benefit, then by one percent for CFAP cases.

FUNDING:

The CF 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 CY is due to updated caseload information.

REASON FOR YEAR-TO-YEAR CHANGE:

The change from the CY to the Budget Year (BY) is associated with a full year of cases implemented in the BY.

EXPENDITURES:

(in 000's)

101 – CFAP Grants	2010-11	2011-12
Total	$9	$67
Federal	0	0
State	9	67
County	0	0
Reimbursements	0	0

Transitional CalFresh for Foster Youths (AB 719)

EXPENDITURES (CONTINUED):
(in 000's)

141 – CalFresh Administration	2010-11	2011-12
Total	$70	$299
Federal	35	148
State	35	151
County	0	0
Reimbursements	0	0

141 Automation	2010-11	2011-12
Total	$1,484	$0
Federal	742	0
State	742	0
County	0	0
Reimbursements	0	0

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SSI/SSP Grant Reductions – CalFresh Effect

DESCRIPTION:

This premise reflects costs to the CalFresh Program associated with recipients that apply for CalFresh benefits after being discontinued from Supplemental Security Income/State Supplementary Payment (SSI/SSP) and the Cash Assistance Program for Immigrants (CAPI) programs that provide benefits to the aged, blind, and disabled in California. Due to reductions to those programs in 2009, it is assumed that some recipients that lost SSI/SSP and CAPI eligibility will seek CalFresh assistance.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Based on federal rules and regulations, it is assumed that SSI/SSP and CAPI recipients must remain ineligible for CalFresh benefits for 12 consecutive months at a $0 SSI/SSP grant level, unless officially terminated from SSI/SSP.
- It is assumed that a total of 38,508 recipients became ineligible for SSI/SSP as a result of the 2009 reductions: 18,283 in May 2009, 11,718 in July 2009 and 8,507 in November 2009.
- Based on CAPI Statistical Reports, it is assumed that a total of 255 CAPI recipients became ineligible for SSI/SSP as a result of the 2009 reductions: 86 in May 2009, 85 in July 2009 and 84 in November 2009.
- Based on information from the Medi-Cal Eligibility Determination Services (MEDS) database and the State Data Exchange (SDX), it is assumed that 6.3 percent will seek assistance in CalFresh beginning 12 consecutive months after a $0 SSI/SSP grant level.
- Therefore, it is assumed that the overall average monthly caseload of individuals receiving CalFresh will be the 2,247 in the Current Year (CY) and 2,426 in the Budget Year (BY) as a result of the SSI/SSP reductions.
- It is assumed the overall average monthly California Food Assistance Program (CFAP) caseload receiving CalFresh is 14 recipients for CY and 16 recipients for BY as a result of the CAPI reductions.
- Based on updated coupon cost expenditures for FY 2009-10, adjusted for increased Standard Utility Allowances (SUA), households are estimated to receive an average CalFresh benefit amount of $351.35.
- It is assumed that the intake cost to process new Non-Assistance CalFresh (NACF) and CFAP is $51.
- It is estimated that approximately four percent of the caseload will leave monthly, and four percent will enter monthly.
- 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 – CalFresh Effect

KEY DATA/ASSUMPTIONS (CONTINUED):

- The CY administrative costs are held to the Appropriation.

METHODOLOGY:

- The administrative costs associated with processing the cases are calculated by multiplying the monthly cases by four percent for caseload movement and by $51.
  (BY: 2,426 cases x 4% x $51 x 12 months = $59,388)

- The administrative costs associated with processing the mid-quarter changes for cases are calculated by multiplying the cumulative cases by 7.20 percent and by $28.23.
  (BY: 2,426 cases x 7.2% x $28.23 x 12 months = $59,172)
- The quarterly administrative costs associated with processing the quarterly reports are calculated by multiplying the cumulative cases by $39.33 on a quarterly basis.
  (BY: 2,426 cases x $39.33 x 4 times a year = $381,658)
- The CFAP coupon costs represent food benefits to recipients that lost CAPI eligibility. The CFAP coupon costs are calculated by multiplying average monthly caseloads by $351.35.
  (BY: 16 cases per month x $351.35 x 12 months = $67,459)

FUNDING:

The CFAP funding is 100 percent General Fund (GF). The CalFresh sharing ratio for the administrative cost is 50 percent federal and 50 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change for CalFresh administration. The CFAP grant amount changed due to grant increase.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase for CFAP is due to full implementation of the caseload impacted. The decrease in CalFresh administration is associated with lower intake costs in the BY due to full implementation.

EXPENDITURES:

(in 000's)

101 – CFAP Grants	2010-11	2011-12
Total	$60	$68
Federal	0	0
State	60	68
County	0	0
Reimbursements	0	0

SSI/SSP Grant Reductions – CalFresh Effect

EXPENDITURES (CONTINUED):

(in 000's)

141 – CalFresh Administration	2010-11	2011-12
Total	$536	$503
Federal	268	250
State	268	253
County	0	0
Reimbursements	0	0

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SSP MOE Floor - CalFresh Effect
Governor's Special Session

DESCRIPTION:

This premise reflects costs to the CalFresh program associated with recipients that apply for CalFresh benefits after being discontinued from Supplemental Security Income/State Supplementary Payment (SSI/SSP) due to the Maintenance of Effort (MOE) Floor reduction proposed in the Governor's Special Session. It is assumed that as a result of the SSI/SSP payment standard reduction, some recipients will lose SSI/SSP and Cash Assistance Program for Immigrants (CAPI) eligibility, and therefore, seek CalFresh assistance. Please review the SSP MOE Floor for Individuals premise for detailed information regarding this grant reduction.

IMPLEMENTATION DATE:

This premise will implement on June 1, 2011.

KEY DATA/ASSUMPTIONS:

- Based on federal rules and regulations, it is assumed that SSI/SSP and CAPI recipients must remain ineligible for CalFresh benefits for 12 consecutive months (beginning June 2011) at a $0 SSI/SSP grant level, unless officially terminated from SSI/SSP.
- It is assumed SSI/SSP and CAPI recipients will be eligible for CalFresh benefits beginning June 2012.
- It is assumed that 8,412 recipients will become ineligible for SSI/SSP. Based on information from the Medi-Cal Eligibility Determination Services (MEDS) database and the State Data Exchange (SDX), it is assumed that of the 8,412 recipients, 6.3 percent or 530 recipients will seek assistance in CalFresh beginning June 2012.
- Based on the CAPI Statistical Report, 114 CAPI recipients will lose eligibility in June 2011 due to grant reductions. Of the 114 recipients, 6.3 percent or seven recipients will seek assistance in California Food Assistance Program (CFAP).
- Based on updated coupon cost expenditures for Fiscal Year (FY) 2009-10, households are estimated to receive an average CalFresh benefit amount of $351.35.
- It is assumed that the intake cost to process new Non-Assistance CalFresh (NACF) 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.

SSP MOE Floor - CalFresh Effect
Governor's Special Session

METHODOLOGY:

- The monthly administrative costs associated with processing the new cases are calculated by multiplying the new monthly cases by $51. As a result of the June 2011 SSI/SSP reduction, it is estimated that approximately 530 cases and seven CAPI cases would enter CalFresh in June 2012.
  SSI/SSP: (530 cases x $51 = approximately $27,030 for intake in June 2012)
  CAPI: (7 cases x $51 = approximately $357 for intake in June 2012)

- The CFAP coupon costs represent food benefits to recipients that lose CAPI eligibility. The CFAP coupon costs are calculated by multiplying the monthly caseload in June 2012 by $351.35.
  (7 cases per month x $351.35 = approximately $2,459)
- It is assumed there will be no ongoing quarterly reporting and administrative costs until FY 2012-13.

FUNDING:

The CFAP funding is 100 percent GF. The CalFresh 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 premise does not implement until the Budget Year.

EXPENDITURES:

(in 000's)

101 – CFAP Grants	2010-11	2011-12
Total	$0	$2
Federal	0	0
State	0	2
County	0	0
Reimbursements	0	0

SSP MOE Floor - CalFresh Effect

Governor's Special Session

EXPENDITURES (CONTINUED):

141 – CalFresh Administration	2010-11	2011-12
Total	$0	$27
Federal	0	13
State	0	14
County	0	0
Reimbursements	0	0

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Inter County Transfer (ICT)

DESCRIPTION:

This premise reflects an ICT process for the CalFresh Program (CFP). Currently, if a CFP recipient moves from one county to another within California, CFP benefits are terminated at the end of the month in which a CFP recipient reports a change of residence and the CFP recipient must then reapply for CalFresh (CF) benefits in the new county of residence. This process results in a delay or interruption in benefits. Currently, the California Work Opportunity and Responsibility to Kids (CalWORKs) and Medi-Cal programs use an ICT process to prevent uninterrupted benefits for recipients who move to a different county. This premise assumes that for CF recipients who are also receiving CalWORKs (i.e., Public Assistance CalFresh [PACF] cases), the ICT process for CF will follow the ICT process used in CalWORKs; for CF recipients who are also receiving Medi-Cal, the ICT process for CF will follow the ICT process used in Medi-Cal. This premise also assumes that an ICT process will be established for all other Non-Assistance CalFresh (NACF) households to avoid an interruption in benefits when transferring to another county.

IMPLEMENTATION DATE:

This premise assumes an April 1, 2011 implementation.

KEY DATA/ASSUMPTIONS:

- It is assumed that the ICT process for cases also receiving PACF and Medi-Cal/NACF cases will implement on April 1, 2011, and that the ICT process for all other NACF cases will implement on July 1, 2011.
- In Fiscal Year (FY) 2010-11, the Administrative costs were held to the Appropriation.
- In FY 2011-12, it is assumed that the overall average caseload reduced by Safety Net for NACF is 1,327,263, and 580,123 for CalWORKs.
- Based on historical trends, it is assumed that 0.15 percent of all CalWORKs cases will transfer to a different county in California in any given month. It is assumed that the same rate of transfer occurs in the CFP.
- It is assumed that of the CF cases that transfer to another county, approximately 32 percent are also receiving Medi-Cal.
- In FY 2011-12, the total average caseload transferring to another county is approximately 2,050 for NACF and 896 for PACF.
- It is assumed that the cost for a CF Eligibility Worker (EW) is $58.27 per hour.
- It is assumed that the ICT process would result in administrative efficiencies. For NACF and cases also receiving Medi-Cal, the ICT would be a simplified process similar to processing a CF recertification, as opposed to CF intake.
- It is assumed that the intake cost for an EW to process those new NACF and CalWORKs cases is $51. It is assumed that the recertification cost for NACF cases is $36.92 resulting in administrative savings of $14.08 (cost difference between intake and recertification).

Inter County Transfer (ICT)

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is assumed that the cost for a CalWORKs EW is $57.57 per hour.
- For PACF cases, the ICT process would reduce the time for processing an intake. The cost to perform a simplified intake for PACF cases is approximately $48.60 per case resulting in administrative savings of $2.40 per case (cost difference between full and simplified intake).
- It is assumed that an automated process for transferring case file documents will be implemented in March 2011 across all Consortia. This will create administrative efficiencies in transferring case file documents.
- It is assumed that the administrative time to prepare NACF case files for an ICT is approximately five minutes per case or approximately $4.71 per case. It is assumed that the administrative time to prepare PACF case files for approximately three minutes or approximately $2.83 per case.
- It is assumed that the ICT process will reduce administrative time by two minutes due to bypassing the Statewide Fingerprint Imaging System (SFIS) process for NACF cases transferring to another county. The resulting administrative savings is $1.94 per case.
- It is assumed that 50 percent of the total California Food Assistance Program (CFAP) cases transferring to another county currently experience a one week interruption of benefits. This revised process will result in no interruption in benefits.
- It is assumed that a total monthly average of 10 CFAP cases in FY 2010-11 and 26 cases in FY 2011-12 transfer to another country.
- Based on updated coupon cost expenditures in FY 2009-10, adjusted for increased Standard Utility Allowance, the average CF benefit for NACF households is approximately $351.35

METHODOLOGY:

- The administrative savings associated with processing an ICT is calculated by multiplying the cases that transfer by the difference between what costs would be to process an intake and what costs would be to process a redetermination for NACF cases or simplified intake for PACF cases.
- The administrative costs associated with preparing case documents for ICTs is calculated by multiplying the monthly average of cases that transfer by $4.71 for NACF cases and $1.42 for PACF cases.
- The savings associated with bypassing SFIS is calculated by multiplying the average NACF caseload for ICTs by $1.94 (equivalent to two minutes of administrative time).
- The net administrative savings associated with ICTs is calculated by offsetting the administrative costs for preparing case documents by the administrative savings associated with processing ICT cases and bypassing SFIS.

Inter County Transfer (ICT)

METHODOLOGY (CONTINUED):

- The monthly average benefits cost associate with providing uninterrupted CFAP benefits is calculated by multiplying the monthly average number of CFAP cases that transfer by 50 percent and by $87.84 in benefits ($351.35 monthly benefits divided by 4 weeks = $87.84).

FUNDING:

The CFP sharing ratio for the administrative cost is 50 percent federal, 35 percent General Fund (GF) and 15 percent county. CFAP costs are 100 percent GF.

CHANGE FROM THE APPROPRIATION

The amount for CalFresh administration was held to the Appropriation. There is no change. For CFAP grants, the change is due to updated average benefits.

REASON FOR YEAR-TO-YEAR CHANGE:

The change in the Budget Year is due to projected caseload growth.

EXPENDITURES:

(in 000's)

141 - CalFresh Administration	2010-11	2011-12
Total	$-25	-$274
Federal	-12	-137
State	-9	-96
County	-4	-41
Reimbursements	0	0

101 – CFAP Grants	2010-11	2011-12
Total	$2	$14
Federal	0	0
State	2	14
County	0	0
Reimbursements	0	0

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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 through the Trafficking and Crimes Victims Assistance Program (TCVAP). Pursuant to provisions contained in Senate Bill (SB) 1569 (Chapter 672, Statutes of 2006), these individuals are eligible for state-funded services and benefits to the same extent as persons who are eligible under the federal Refugee Act of 1980. The state-funded program services and benefits provided include cash and medical assistance for up to eight months, Employment Social Services, food assistance through the California Food Assistance Program (CFAP), In-Home Supportive Services (IHSS), the Cash Assistance for Program for Immigrants (CAPI), and Healthy Families program benefits.

Noncitizen trafficking and crime victims who have children who are eligible for the CalWORKs program will receive assistance through a state-funded CalWORKs grant. Eligible noncitizen trafficking and crime victims who do not have children will receive assistance through a state-funded TCVAP Cash Assistance grant.

The TCVAP requires victims of human trafficking to file for a T 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. 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. Victims of domestic violence and other serious crimes must have filed a formal application for or have received a U visa to qualify for TCVAP benefits.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18945.
- According to county survey data from FY 2009-10, the California Department of Social Services (CDSS) is currently serving 466 TCVAP recipients in the state-funded CalWORKs program and 43 recipients through the TCVAP Cash Assistance program.
- It is assumed that TCVAP recipients receiving cash assistance in either the CalWORKs or the Cash Assistance program will receive CFAP benefits.

TCVAP CalWORKs:

- TCVAP CalWORKs recipients are subject to the same welfare-to-work (WTW) requirements and exemptions as other participants, except those recipients who do not have authorization to work are not required to participate in job search.
- It is assumed that most TCVAP recipients do not have work authorization, and therefore will not receive earned income to offset their monthly grant. Services and child care are provided, as needed, for recipients participating in qualifying activities. The estimated TCVAP CalWORKs caseload for both the Current Year (CY) and the Budget Year (BY) is 466.

Undocumented Citizens (SB 1569)

KEY DATA/ASSUMPTIONS (CONTINUED):

- All grant, services and administrative costs for TCVAP CalWORKs program recipients mirror the services and administrative costs for other CalWORKs program recipients.
- It is assumed there are 1.7 children per case and that 29.44 percent of the cases that are required to participate in WTW activities utilize child care services in the BY.
- The child care cost per case is $820.25 in the CY and $824.68 in the BY.
- The average number of children who will receive services is 233 per month.
- This estimate assumes utilization rates and costs-per-case for CalWORKs transportation and ancillary services based on actual CalWORKs data from FY 2008-09 (transportation utilization rate is 54.62 percent and $70.86 per case; ancillary utilization rate is 12.04 percent and $85.32 per case.)
- The estimate assumes a case management utilization rate of 41.2 percent and $206 cost per case.
- The estimate assumes 19 new TCVAP cases will receive CalWORKs benefits each month (224 per year). Administrative expenses for adding each adult to a CalWORKs assistance unit are calculated at $8.63 for each new case.

TCVAP Cash Assistance:

- All services and administrative costs for TCVAP Cash Assistance recipients mirror the services and administrative costs for Refugee Cash Assistance (RCA) program recipients (for more information on the caseload and cost per case assumptions, see the RCA premise).
- The estimated number of TCVAP Cash Assistance cases is 43.
- The average TCVAP Cash Assistance monthly grant is $294.83.
- The administrative cost per case for a TCVAP Cash Assistance case is $74.87.
- For the CY and the BY, the average monthly cost per case of TCVAP Employment Social Services was calculated by dividing the Fiscal Year (FY) 2009-10 Refugee Social Services block grant ($14.4 million) divided by the FY 2009-10 RCA total caseload (33,073) divided by 12 months, which equals $36.17 per case.

TCVAP CFAP:

- The average monthly number of TCVAP CFAP recipients is the total number of TCVAP CalWORKs and Cash Assistance program recipients combined (509).
- The average coupon value per person is $113.52 for July – September 2010, and then $115.68 for the remainder of the CY. The average coupon value for the BY is $116.31.
- The administrative costs for CFAP are $25.01 per case per month.

Undocumented Citizens (SB 1569)

KEY DATA/ASSUMPTIONS (CONTINUED):

TCVAP IHSS:

- There is one reported TCVAP client receiving IHSS services, authorized to receive 85.8 hours per month (1,029.6 hours per year) beginning January 1, 2010.
- The estimate assumes that TCVAP cases receiving IHSS benefits are considered a "residual case" and will receive $11.41 per hour in benefits.

TCVAP CAPI:

- There are currently no TCVAP recipients reported in CAPI.

METHODOLOGY:

TCVAP CalWORKs:

- Grant costs are calculated by multiplying the average monthly number of cases by the cost to add an adult to a case by 12 months (466 x $133 x 12).
- Administrative costs are calculated by multiplying the average monthly number of new cases by the intake cost by 12 months (19 x $8.63 x 12).
- Employment services costs include case management, transportation, and ancillary costs. These are calculated by multiplying the average monthly number of cases utilizing the service by the cost per case by 12 months (Ex: Transportation: 466 x 54.62% x $70.86 x 12).
- Child care costs are calculated by multiplying the average monthly number of children by the cost per child by 12 months (BY: Child Care: 466 x 29.44% x 1.7 x $824.68 x 12).

TCVAP Cash Assistance:

- Grant costs are calculated by multiplying the average monthly number of cases by the cost per case by twelve months. (43 x $294.83 x 12).
- Administrative costs are calculated by multiplying the average monthly number of cases by the administrative cost per case by twelve months (43 x $74.87 x 12).
- Employment Social Services costs are calculated by multiplying the average monthly number of cases by the services cost per case by twelve months (43 x $36.17 x 12).

CFAP:

- Coupon costs are calculated by multiplying the average monthly coupon benefit per person by the projected monthly number of CFAP recipients by twelve months (BY: 509 x $116.31 x 12)
- On-going quarterly administrative costs are calculated by multiplying the average monthly number of cases by the average monthly cost per case by twelve months (509 x $25.01 x 12).

IHSS:

- Total cost of benefits are calculated by multiplying the number of authorized hours by the cost per hour (1,029.6 x $11.41).

Undocumented Citizens (SB 1569)

FUNDING:

TCVAP CalWORKs grants are funded with 97.5 percent General Fund (GF) and 2.5 percent county.

TCVAP CalWORKs employment services, administrative services, child care, TCVAP Cash Assistance, Employment Social Services, IHSS, and CFAP are funded with 100 percent GF.

Under Title 45 of the Code of Federal Regulations Part 263.2(b), these cases are not Maintenance of Effort eligible.

CHANGE FROM THE APPROPRIATION:

Increased costs are primarily due to restoring a 15.7% cash assistance grant reduction assumed in the Appropriation and to a higher cost per case for CalWORKs child care services.

REASON FOR YEAR-TO-YEAR CHANGE:

Increased costs in services are due to a higher cost per case for CalWORKs child care services.

EXPENDITURES:

(in 000's)

ITEM 101 - Grand Total	2010-11	2011-12
Total	$4,870	$4,889
Federal	0	0
State	4,851	4,870
County	19	19
Reimbursements	0	0

ITEM 101 - Grants	2010-11	2011-12
Total	$1,600	$1,607
Federal	0	0
State	1,581	1,588
County	19	19
Reimbursements	0	0

Undocumented Citizens (SB 1569)

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 - Services	2010-11	2011-12
Total	$3,076	$3,088
Federal	0	0
State	3,076	3,088
County	0	0
Reimbursements	0	0

ITEM 101 - Administration	2010-11	2011-12
Total	$194	$194
Federal	0	0
State	194	194
County	0	0
Reimbursements	0	0

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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.
- The basic cost per case for SSI and SSP estimates are developed from actual state and federal expenditures reported on the State Data Exchange and SSA 8700 reports.
- The SSI average grants are based on actual data from July 2009 through June 2010. The SSP average grants are based on actual data from November 2009 to June 2010, and include the impact of various grant reductions.
- These grant reductions include the withholding of the pass-through of the 2009 federal cost of living adjustment, 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 average grants are as follows:

	SSI	SSP
Aged	$330.37	$168.18
Blind	416.00	225.17
Disabled	457.25	172.03

SSI/SSP – Basic Costs

METHODOLOGY:

The SSI/SSP basic costs are computed for each aged, blind, and disabled component, and 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 (GF). Costs for each component are computed separately.

CHANGE FROM THE APPROPRIATION:

The Current Year GF costs have decreased due to a decrease in projected SSP average grants, offset by a slight increase in the average monthly caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year change is due to an increase in the average monthly caseload.

CASELOAD:

	2010-11	2011-12
Average Monthly Persons	1,266,779	1,284,825

EXPENDITURES:

(in 000's)

	2010-11 Grant	2011-12 Grant
Total	$8,904,370	$9,038,125
Federal	6,320,352	6,417,043
State	2,584,018	2,621,082
County	0	0
Reimbursements	0	0

SSP MOE Floor for Individuals (Governor's Special Session)

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 will implement on June 1, 2011.

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.
- Assumes approximately one million SSI/SSP individual recipients will receive a decrease to their SSI/SSP payment. Approximately 108,000 Non-Medical Out-of-Home Care, Restaurant Meal Allowance, and Title XIX Medical Facilities recipients will be excluded from this reduction. Approximately 237,000 SSI/SSP couple members are already at the SSP MOE Floor, effective November 1, 2009.
- Assumes 8,526 recipients will lose their SSI/SSP benefit because their countable income will exceed the reduced SSI/SSP rates, and will seek services elsewhere. Some recipients may seek services from the CalFresh program. For more information, please see the "SSP MOE Floor – CalFresh Effect (Governor's Special Session)" premise.

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 will be 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 January 2011 SSP grant amounts.

SSP MOE Floor for Individuals (Governor's Special Session)

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.

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)

	2010-11	2011-12
	Grant	Grant
Total	-$15,087	-$182,317
Federal	0	0
State	-15,087	-182,317
County	0	0
Reimbursements	0	0

SSI/SSP – 2011 Federal COLA

DESCRIPTION:

This premise reflects the impact of the not passing through the cost-of-living adjustment (COLA) given to Supplemental Security Income/State Supplementary Payment (SSI/SSP) program recipients in 2011. The -0.6 percent Consumer Price Index (CPI) for 2011 eliminates the pass through of an SSI COLA to recipients. As a result, in the SSI portion of the grant payment will not increase, but, instead, will remain at the January 2010 level.

IMPLEMENTATION DATE:

The CPI COLA would have implemented on January 1, 2011.

KEY DATA/ASSUMPTIONS:

- Section 1617 of Title XVI of the Social Security Act authorizes the COLA for SSI recipients.
- The SSI COLA will not be passed through to recipients on January 1, 2011, pursuant to current law.

METHODOLOGY:

The SSI average grant for the three categories (aged, blind, and disabled) will not change as a result of not passing through the 2011 federal COLA.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds.

CHANGE FROM THE APPROPRIATION:

The Current Year decrease is due to not passing through the 2011 Federal COLA.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Expenditures:

(In 000's):

	2010-11 Grant	2011-12 Grant
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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SSI/SSP – 2012 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 2012. The estimated SSI Consumer Price Index (CPI) COLA of 0.2 percent will be passed through to recipients resulting in an increase in the SSI portion of the January 1, 2012, grant payment.

IMPLEMENTATION DATE:

The CPI COLA will implement on January 1, 2012.

KEY DATA/ASSUMPTIONS:

- Section 1617 of Title XVI of the Social Security Act authorizes the COLA for SSI recipients.
- The CPI is estimated at 0.2 percent for 2012, and will be passed through to recipients on January 1, 2012, pursuant to current law.

METHODOLOGY:

- The SSI average grants for the three categories (aged, blind, and disabled) change as a result of the 2012 federal COLA.
- The CPI percentage is applied to the 2011 SSI payment standards and the result is the new SSI payment standards for 2012.
- The new payment standards are put into a statistical model to determine the value of the 2012 federal COLA for each of the three categories. The value of the 2012 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 is a Budget Year item only.

SSI/SSP – 2012 Federal COLA

EXPENDITURES:

(In 000's):

	2010-11 Grant	2011-12 Grant
Total	$0	$5,116
Federal	0	5,116
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 on outside of the normal January 1 schedule.

IMPLEMENTATION DATE:

This premise 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 per payment to $8.50 per payment in FFY 2002. Increases after FFY 2002 are based on the Consumer Price Index (CPI) or at a rate the Commissioner of Social Security determines is appropriate for the State.
- Effective October 1, 2010, the fee will increase from $10.45 to $10.56, based on a rate determined by the Commissioner of Social Security. Effective October 1, 2011, the fee will increase from $10.56 to $10.58, based on the increase in the CPI from June of the Budget Year (BY) compared to June of the Current Year (CY).
- 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 are 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The CY decrease is due to a lower administration fee, offset by a slight increase in the average monthly caseload projection.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase is due to an increase in the average monthly caseload in addition to an increase in the administration fee.

SSI/SSP – SSP Administration

CASELOAD:

	2010-11	2011-12
Average Monthly Payments	1,291,078	1,309,039

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	Admin	Admin
Total	$163,182	$166,131
Federal	0	0
State	163,182	166,131
County	0	0
Reimbursements	0	0

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 $171.75 will be paid to eligible recipients.
- The Social Security Administration 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 – SSP Administration” premise.
- The average monthly number of participating veterans is 1,300 in Fiscal Year (FY) 2010-11, and 1,187 in FY 2011-12.

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 Current Year increase is due to higher average monthly caseload than what was projected in the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year decrease is due to a lower average monthly caseload.

California Veterans Cash Benefit Program

EXPENDITURES:

(in 000's)

CVCB Costs	2010-11 Grant	2011-12 Grant
Total	$2,679	$2,445
Federal	0	0
State	2,679	2,445
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 at least 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. The provisions in P.L. 110-328 expired on October 1, 2010.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2008.

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 (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 35 cases will stay on SSI/SSP for Fiscal Year (FY) 2010-11, beginning September 1, 2010, through June 2011. The impact of cases that stayed on SSI/SSP previous to September 1, 2010, are now part of the trend for the SSI/SSP and CAPI programs. After October 1, 2010, the federal law sunsets, and cases that will meet their seven-year limit on or after October 1, 2010, will not stay on SSI/SSP, unless these cases change their legal status.
- SSI/SSP and CAPI average grants are based on the grants used for the basic costs estimates.

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 decrease in costs for SSI/SSP and loss of savings for CAPI are due to calculating the impact of one month's worth of qualified cases.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase is due a full year impact.

EXPENDITURES:

(In 000's)

SSI/SSP	2010-11	2011-12
	Grant	Grant
Total	$260	$312
Federal	196	235
State	64	77
County	0	0
Reimbursements	0	0

CAPI	2010-11	2011-12
Total	-$317	-$380
Federal	0	0
State	-317	-380
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 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 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 10,036 in Fiscal Year (FY) 2010-11, and 11,939 in FY 2011-12.
- The average monthly grant is $577.39 for the Base CAPI cases, based on actual expenditures through August 2010. This takes into account various SSI/SSP grant reductions, which include the withholding of the pass-through of the 2009 federal cost of living adjustment, 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 average grant will increase due to the January 2012 federal COLA, effective January 1, 2012.

Cash Assistance Program for Immigrants (CAPI)

KEY DATA/ASSUMPTIONS (continued):

- The average monthly grant is $726.79 for the Extended CAPI cases, based on actual expenditures through August 2010. The average grant will change as discussed above for the Base CAPI cases.
- The average monthly administrative cost per case for FY 2010-11 and 2011-12 of $169.42 is based on actual expenditures through June 2010.

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:

Base CAPI – The Current Year (CY) increase is due to a slower caseload decline, offset by a lower projected average grant.

Extended CAPI – The CY increase is due to a higher caseload projection, offset by a lower projected average grant.

REASON FOR YEAR-TO-YEAR CHANGE:

Base CAPI – The Budget Year (BY) change is due to a decrease in the average monthly caseload, offset by an increase in the average grant.

Extended CAPI – The BY change is due to an increase in the average monthly caseload, namely those cases that left CAPI and went to SSI/SSP, beginning October 2008, due to the Public Law 110-328 (see SSI Extension (P.L. 110-328) premise), and will return to CAPI after the two year limit expires, beginning October 2010, if these cases did not change their legal status, in addition to an increase in the average grant.

Cash Assistance Program for Immigrants (CAPI)

EXPENDITURES:

(in 000's)

Total CAPI	2010-11 Grant/Admin	2011-12 Grant/Admin
Total	$105,617	$126,584
Federal	0	0
State	105,617	126,584
County	0	0
Reimbursements	0	0

Base CAPI	2010-11	2011-12
Total	$11,531	$9,332
Federal	0	0
State	11,531	9,332
County	0	0
Reimbursements	0	0

Extended CAPI	2010-11	2011-12
Total	$94,086	$117,252
Federal	0	0
State	94,086	117,252
County	0	0
Reimbursements	0	0

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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 July through September 2010, was 10,105, or 12.2 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 were $83.6 million in Fiscal Year (FY) 2009-10.
- Expenditures for SSP children living in a CalWORKs household in 1995 is estimated at $8.5 million.

METHODOLOGY:

- Expenditures for FY 2010-11 and FY 2011-12 are forecasted based on the increase or decrease in the SSP payment standard from year to year. For FY 2010-11 and FY 2011-12, there will be no increase or decrease in the SSP payment standard for this population.
- 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 2010-11 and FY 2011-12, SSP expenditures for this population are estimated at $10.3 million and $10.4 million, respectively.

Additional TANF/MOE Expenditures in CDSS SSP MOE Eligible

METHODOLOGY (CONTINUED):

- For FY 2010-11, the amount by which allowable Current Year (CY) expenditures exceed total state program expenditures in 1995 is $1.8 million ($10.3 - $8.5 million).
- For FY 2011-12, the amount by which allowable SSP expenditures will exceed total state program expenditures in 1995 is $1.9 million ($10.4 - $8.5 million).

FUNDING:

The SSP expenditures are funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The CY change is due to an increase in the average number of SSP children living in a CalWORKs household.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year change is due to an increase in caseload.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	Grant	Grant
Total	$1,751	$1,898
Federal	0	0
State	1,751	1,898
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 to implement an Independence Plus Section 1115 Demonstration Project to allow certain IHSS Residual program recipients who could not receive services under the PCSP to receive them under the new IHSS Independence Plus Waiver (IPW). Effective September 30, 2009, the IPW expired and was not 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 include, but are not limited to, 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;
- Certain paramedical services ordered by a physician; and
- Protective supervision tasks.

The following four benefits are provided to IPO recipients in addition to the same services provided under the PCSP:

- Advance pay;
- Restaurant Meal Allowance (RMA);
- Services provided by a parent/spouse; and
- Services provided by a parent for a minor recipient.

The third component of the IHSS program is the state-only Residual program, which provides services/benefits to recipients who are ineligible for the federal PCSP or IPO programs. The services/benefits provided to Residual program recipients are the same as those provided to IPO program recipients.

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 the agent for the California Department of Social Services (CDSS) in the management and supervision of SCIF. The 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 91.95 percent and 8.05 percent, respectively, based on the average caseloads to date for the Current Year (CY) and the Budget Year (BY). (Note: An adjustment to the caseload is made under the Title XIX Eligible Recipients Adjustment premise to account for recipients who are eligible to receive and do receive services under one of the two Title XIX programs, PCSP or IPO, and therefore receive federal financial participation, but who are not accounted for as such under this premise. The adjustment results in a caseload increase to 98.58 percent for PCSP/IPO and a decrease to 1.42 percent for Residual in the CY and the BY. For more information, please see the Title XIX Eligible Recipients Adjustment premise [formerly titled the Waiver for Residual Program.])
- After adjusting the shares of the federally-eligible and non-federally-eligible populations which result from the Title XIX Eligible Recipients Adjustment premise, the CY caseload is projected to be 435,259 PCSP/IPO and 6,290 Residual for a total of 441,549, and the BY caseload is projected to be 449,879 PCSP/IPO and 6,501 Residual for a total of 456,380.
- Following implementation of the Anti-Fraud Initiative efforts in November 2009, the IHSS caseload has seen a decreasing trend.

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

KEY DATA/ASSUMPTIONS (CONTINUED):

- The Fiscal Year (FY) 2010-11 Appropriation caseload was adjusted to reflect the decreasing trend by $92 million in General Fund, which is reflected in the Caseload Adjustment and the non-add ARRA - Caseload Adjustment lines in the appropriation table. This adjustment reduced the caseload from 466,292, as included in the May 2010 Revision, to 442,881.
- The average monthly PCSP/IPO caseloads for CY 2010-11 are projected to be 1,774 (CC), 52 (WS), and 404,189 (IP), and Residual caseloads are 592 (CC), 20 (WS), and 34,922 (IP). The average monthly PCSP/IPO caseloads for BY 2011-12 are projected to be 1,774 (CC), 52 (WS), and 417,826 (IP), and Residual caseloads are 592 (CC), 20 (WS), and 36,116 (IP).
- The IP wage rate and average monthly hours per case are based on individual counties' data.
- The PCSP/IPO CC mode average monthly hours per case are assumed to be 67.8 hours at a cost of $20.94 per hour. The Residual CC average monthly hours per case are assumed to be 27.70 hours at a cost of $19.28 per hour.
- The PCSP/IPO WS mode average monthly hours per case are assumed to be 10.74 hours at a cost of $19.90 per hour. The Residual WS average monthly hours per case are assumed to be 7.76 hours at a cost of $19.55 per hour.
- Effective October 1, 2010, San Joaquin County eliminated its CC mode. These costs have been absorbed under the IP mode.
- The payroll tax rate associated with IP wages is assumed at ten percent.
- Based on actual data for FY 2009-10, the average PCSP/IPO program recipient's share of cost (SOC) in the IP mode of service is assumed to be $566 per case, and in the CC/WS modes of service $416 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 $582, and in the CC/WS modes of service $218 in the CY and the BY.
- In the PCSP/IPO program, the average monthly SOC caseload is assumed to be 6,923 (IP) and 62 (CC and WS) in the CY, and 7,157 (IP) and 62 (CC and WS) in the BY.
- In the Residual program, the average monthly SOC caseload is assumed to be 689 (IP) and eight (CC and WS) in the CY, and 712 (IP) and eight (CC and WS) in the BY.
- The RMA cost per case is $62.
- The RMA cost is assumed to be $386,353 total funds (TF) in the CY and the BY.
- The SCIF contract cost is assumed to be $48.5 million in the CY and the BY.
- The DGS contract cost is assumed to be $120,000 in the CY and the BY.
- The CY and the BY include costs for services established under the Los Angeles County Back-Up Attendant Program. These services are now included as part of this premise and are no longer considered part of a separate pilot program.

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

KEY DATA/ASSUMPTIONS (CONTINUED):

- 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 was not 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 program caseload percentage of the SCIF and DGS contract costs, and RMA, are added.

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 are added.

FUNDING:

For PCSP/IPO services, the Title XIX FMAP rate temporarily increased to 61.594 percent from October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The FY 2010-11 blended FMAP rate is equivalent to 59.709 percent. 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 federal and counties' share of cost is reflected as a reimbursement, consistent with actual cash flow.

In 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.

The overmatch above the level of state participation is split 50 percent federal and 50 percent county for the federal programs, and 100 percent county for the Residual program.

CHANGE FROM THE APPROPRIATION:

The CY increase reflects increases in wages and hours per case, offset by a decrease in the projected caseload.

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects a higher projected caseload.

CASELOAD

(As included in IHSS Basic estimate):

	2010-11	2011-12
PCSP/IPO Average Monthly Caseload	406,015	419,652
Residual Average Monthly Caseload	35,534	36,728
PCSP/IPO & Residual Programs Average Monthly Caseload Totals	441,549	456,380

(As updated as a result of the Title XIX Eligible Recipients Adjustment premise):

	2010-11	2011-12
PCSP/IPO Average Monthly Caseload	435,259	449,879
Residual Average Monthly Caseload	6,290	6,501
PCSP/IPO & Residual Programs Average Monthly Caseload Totals	441,549	456,380

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

EXPENDITURES:

(in 000's)

TOTAL	2010-11	2011-12
Total	$5,331,095	$5,508,430
Federal	0	0
State	1,852,457	1,914,096
County	0	0
Reimbursements	3,478,638	3,594,334

PCSP/IPO	2010-11	2011-12
Total	$4,860,858	$ 5,022,568
Federal	0	0
State	1,551,146	1,602,770
County	0	0
Reimbursements	3,309,712	3,419,798

Residual	2010-11	2011-12
Total	$470,237	$485,862
Federal	0	0
State	301,311	311,326
County	0	0
Reimbursements	168,926	174,536

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). It now includes the ongoing costs of forms processing for Provider Direct Deposit (PDD) and Conlan, systems operation and maintenance, monthly outreach mailing, and Help Desk staffing, which were previously under the CMIPS Legacy Enhancement premise. The PDD was successfully implemented on May 1, 2008. 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. The CIN transactions are processed through the Office of System 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 (IP) 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 IP mode 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 sections 12302.2 and 12304.4 [Chapter 75, Statutes of 2006 (Assembly Bill 1808)].
- The CMIPS contract is currently held by HP Enterprise Services, LLC (HP) (formerly known as Electronic Data Systems, LLC) (EDS).
- The estimated costs for the SCO contract were updated.

Case Management, Information and Payrolling System (CMIPS) and Associated Costs

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimated CIN transaction costs are based on a projected number of transactions at a cost of $0.70 per transaction.
- The PDD cost assumes 30 percent provider participation. The Current Year (CY) PDD cost is $1.8 million total funds (TF). The Budget Year (BY) cost is $1.9 million TF.
- The Conlan cost assumes $150,000 TF in the CY and the BY.

	2010-11	2011-12
HP	$12,130,932	$12,653,813
STO	$770,080	$602,672
SCO	$8,113,170	$8,356,419
CIN Transaction	$8,307	$8,307
Conlan Direct Deposit Costs	$150,000	$150,000
	$1,800,000	$1,900,000
Total Costs	$22,972,489	$23,671,211

METHODOLOGY:

The estimate is computed by summing the HP, STO, SCO, CIN data and transaction fee costs, systems operation and maintenance costs, ongoing monthly outreach mailing, Help Desk staffing, and ongoing costs for PDD and Conlan. 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 programs, the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and the BY. The nonfederal share is split 70 percent General Fund 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 increase reflects the addition of Conlan and PDD costs in the CY.

Case Management, Information and Payrolling System (CMIPS) and Associated Costs

REASON FOR YEAR-TO-YEAR CHANGE:

The BY change reflects increases in HP and SCO contract costs.

EXPENDITURES:

(in 000's)

TOTAL	2010-11	2011-12
Total	$22,973	$23,671
Federal	0	0
State	8,155	8,403
County	3,495	3,601
Reimbursements	11,323	11,667

PCSP/IPO	2010-11	2011-12
Total	$ 22,646	$23,334
Federal	0	0
State	7,926	8,167
County	3,397	3,500
Reimbursements	11,323	11,667

Residual Program	2010-11	2011-12
Total	$327	$337
Federal	0	0
State	229	236
County	98	101
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, including programming and implementation, needed to meet the documentation, data collection, and reporting requirements of the In-Home Supportive Services (IHSS) program.

This premise was formerly known as 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)].
- The Provider Fee (IHSS Stabilization Act), the 3.6 Percent Across-the-Board Reduction, and the Provider Exclusion premises require enhancements to the CMIPS Legacy system. The Provider Fee (IHSS Stabilization Act) cost assumes $1.2 million total funds (TF) in the Current Year (CY).
- The 3.6 Percent Across-the-Board Reduction cost assumes $0.9 million TF to implement in the CY, and $0.9 million TF in the Budget Year (BY) to undo the 3.6 Percent Across-the-Board Reduction.
- The Provider Exclusion cost assumes $1.5 million TF in the CY.
- Modified Notices of Action (NOA) will be sent to providers in the BY to inform them of the authorized activities and corresponding lengths of time for each activity for the recipient(s) to whom they provide services. The modified NOA cost assumes $70,000 TF in the BY.
- The NOAs will be sent to recipients to inform of the loss of hours as a result of the 3.6 Percent Across-the-Board Reduction to services. This activity assumes a cost of $0.4 million TF in the CY.
- As a result of the provider enrollment process, existing providers who did not complete the enrollment process by December 31, 2010, were disenrolled. A reminder notification was sent out to providers who could have been disenrolled if they did not complete the enrollment process by the deadline. In addition, recipients whose providers were disenrolled received a NOA informing them of this action. The cost for notifications and NOAs regarding pending provider disenrollment is assumed to be $99,000 TF in the CY.

METHODOLOGY:

The estimate is computed by summing the programming and implementation costs for enhancements for the impacted programs, and costs for sending notifications and NOAs.

Case Management, Information and Payrolling System (CMIPS) Legacy Enhancements

FUNDING:

In the Personal Care Service Program (PCSP)/IHSS Plus Option programs, the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and the BY. The nonfederal share is split 70 percent General Fund 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 increase reflects the inclusion of the Provider Fee (IHSS Stabilization Act), the 3.6 Percent Across-the-Board Reduction, and the Provider Exclusion premises, and the costs for sending notifications and NOAs.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects one-time CY costs.

EXPENDITURES:

(in 000's)

TOTAL	2010-11	2011-12
Total	$4,119	$994
Federal	0	0
State	1,462	353
County	627	151
Reimbursements	2,030	490

PCSP/IPO	2010-11	2011-12
Total	$4,060	$980
Federal	0	0
State	1,421	343
County	609	147
Reimbursements	2,030	490

Case Management, Information and Payrolling System (CMIPS) Legacy Enhancements

EXPENDITURES (CONTINUED):

(in 000's)

Residual	2010-11	2011-12
Total	$59	$14
Federal	0	0
State	41	10
County	18	4
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.

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 State General Fund (GF).

In the Residual Program, the funding is 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The fiscal year (FY) 2010-11 costs have been adjusted for Retirement and Employee Compensation. The allocation of costs to benefiting programs has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have been adjusted for Pro Rata, Retirement and Employee Compensation.

EXPENDITURES:
(IN 000'S)

Total	2010-11	2011-12
	County Admin.	County Admin.
Total	$65,926	$66,172
Federal	0	0
State	24,333	24,424
County	0	0
Reimbursements	41,593	41,748

Case Management, Information and Payrolling System (CMIPS II) Contract Procurement

EXPENDITURES (CONTINUED):

(IN 000'S)

PCSP	2010-11	2011-12
	County Admin.	County Admin.
Total	$64,989	$65,232
Federal	0	0
State	23,396	23,484
County	0	0
Reimbursements	41,593	41,748

Residual Program	2010-11	2011-12
	County Admin.	County Admin.
Total	$937	$940
Federal	0	0
State	937	940
County	0	0
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)	2010-11	2011-12
Total	$65,926	$66,172
CDSS	26,165	26,165
OSI	39,761	40,007

Case Management, Information and Payrolling System (CMIPS) II Contract Procurement – Budget Act Solutions

DESCRIPTION:

This premise reflects the cost associated with the legislative changes required as a result of the implementation of Assembly Bill (AB) 1612 for contracting with the Health and Human Services Agency, Office of Systems Integration (OSI) for extending the design and development phase of the new and enhanced In-Home Supportive Services (IHSS) CMIPS II. This project proposes to replace the CMIPS legacy with new technologies that provide system access for all IHSS county workers and a communication network between state and county IHSS offices.

The CMIPS II has over 55 interfaces with 15 separate interface organizations. The State Controller's Office, Employment Development Department, and the State Treasurer's Office will be impacted as a result of this new legislation. The legislation also impacts the services and eligibility for the IHSS recipients, which affects the Statewide Automated Welfare System (SAWS) consortia and the Medical Eligibility Data System (MEDS) interfaces. Affected interfaces will require development and integration testing, functional testing and User Acceptance testing. In addition to the one-time cost extension for existing resources, increased staff positions are required on an ongoing basis to manage and support the increased project scope that results from these legislative changes.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2011.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 12302.2.

METHODOLOGY:

The estimated resource and staffing costs were provided by OSI. For system's changes and delays, please refer to CMIPS II – Budget Act Solutions premise description.

FUNDING:

- In the Personal Care Services Program (PCSP) and the IHSS Plus Option (IPO), the Title XIX Federal Medical Assistance Percentage 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:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease reflects one-time costs in the Current Year.

Case Management, Information and Payrolling System (CMIPS) II Contract Procurement – Budget Act Solutions

EXPENDITURES:

(in 000's)

Total	2010-11	2011-12
	County Admin.	County Admin.
Total	$8,978	$0
Federal	0	0
State	3,314	0
County	0	0
Reimbursements	5,664	0

PCSP/IPO	2010-11	2011-12
	County Admin.	County Admin.
Total	$8,850	$0
Federal	0	0
State	3,186	0
County	0	0
Reimbursements	5,664	0

Residual	2010-11	2011-12
	County Admin.	County Admin.
Total	$128	$0
Federal	0	0
State	128	0
County	0	0
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)	2010-11	2011-12
Total	$8,978	$0
CDSS	3,223	0
OSI	5,755	0

Case Management Information and Payrolling System (CMIPS) II – Budget Act Solutions

DESCRIPTION:

This premise reflects the cost of several Case Management Information and Payrolling System (CMIPS) II system changes and corresponding costs due to the resulting delayed implementation of CMIPS II. Included are In-Home Supportive Services (IHSS) costs for programming, implementation, documentation, data collection, and reporting requirements.

Assembly Bill (AB) 1612 (Chapter 725, Statutes of 2010) established the activities which require changes be made to CMIPS II under this premise.

IMPLEMENTATION DATE:

This premise will implement prior to the implementation dates of the following three impacted 2010 Budget Act solution premises: the Provider Fee (IHSS Stabilization Act) premise, which will implement effective July 1, 2010; and the 3.6 Percent Across-the-Board Reduction and IHSS Provider Exclusions premises, which will implement February 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 1612 (Chapter 725, Statutes of 2010) includes activities established under the Provider Fee (IHSS Stabilization Act), the 3.6 Percent Across-the-Board Reduction, and the IHSS Provider Exclusions premises.
- The Provider Fee (IHSS Stabilization Act) cost assumes $0.5 million Total Funds (TF), or $0.2 million General Fund (GF) in the Current Year (CY).
- The 3.6 Percent Across-the-Board Reduction cost assumes $1 million TF, or $0.4 million GF in the CY.
- The Provider Exclusion cost assumes $0.9 million TF, or $0.3 million GF in the CY.
- As a result of implementing the budget solution system changes identified above, the implementation of CMIPS II will be delayed at an assumed cost of $16 million TF, or $5.9 million GF in the CY.

METHODOLOGY:

The estimate is computed by summing the costs of system changes for the impacted programs and delay to implementing CMIPS II. For Office of Systems Integration related costs, please refer to the CMIPS II Contract Procurement – Budget Act Solutions premise description.

FUNDING:

Under the Personal Care Service Program and IHSS Plus Option, the federal Title XIX reimbursement represents 64 percent of the total funding. The nonfederal share is 100 percent GF.

For the Residual program, the GF share is 100 percent of the total.

Case Management Information and Payrolling System (CMIPS) II – Budget Act Solutions

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year decrease is due to one-time system change costs in the CY, and costs due to the delayed implementation of CMIPS II as incurred in the CY only.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$18,328	$0
Federal	0	0
State	6,765	0
County	0	0
Reimbursements	11,563	0

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. The PAs are the employers of IHSS providers for the purposes of collective bargaining over wages, hours, and other terms of employment. The 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. The 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: and
- 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.

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 programs, the federal Title XIX reimbursement represents 50 percent of the total funding in the Current Year and the Budget Year (BY). The nonfederal share is split 65 percent General Fund and 35 percent county.

In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent.

Public Authority Administration

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY reflects a decrease in the projected casemonths.

EXPENDITURES:

(in 000's)

TOTAL	2010-11	2011-12
Total	$64,127	$61,035
Federal	0	0
State	22,992	21,881
County	12,380	11,782
Reimbursements	28,755	27,372

PCSP/IPO	2010-11	2011-12
Total	$57,510	$54,744
Federal	0	0
State	18,691	17,792
County	10,064	9,580
Reimbursements	28,755	27,372

Residual	2010-11	2011-12
Total	$6,617	$6,291
Federal	0	0
State	4,301	4,089
County	2,316	2,202
Reimbursements	0	0

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 General Fund (GF) reduction as a result of the Governor's veto.

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 GF.

FUNDING

- In the PCSP/IPO programs, the federal Title XIX reimbursement represents 50 percent of the total funding in the Current Year and the Budget Year (BY). The nonfederal share is split 65 percent GF and 35 percent county.
- In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease in savings reflects the updated casemonths.

Reduce Public Authority Administration

EXPENDITURES:

(in 000's)

TOTAL	2010-11	2011-12
Total	-$36,964	-$36,348
Federal	0	0
State	-13,253	-13,031
County	-7,136	-7,016
Reimbursements	-16,575	-16,301

PCSP/IPO	2010-11	2011-12
Total	-$33,150	-$32,602
Federal	0	0
State	-10,774	-10,596
County	-5,801	-5,705
Reimbursements	-16,575	-16,301

Residual	2010-11	2011-12
Total	-$3,814	-$3,746
Federal	0	0
State	-2,479	-2,435
County	-1,335	-1,311
Reimbursements	0	0

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) individual provider (IP) mode wages to $9.50 per hour and health benefits to $0.60 per hour.

Effective July 1, 2009, state law provides that the state will share in wages up to $9.50 per hour and $0.60 per hour in health benefits for IHSS IP providers in the counties that have an IHSS Public Authority (PA) or Non-Profit Consortium (NPC). After the Legislature and the Governor approved the reduction of the state's participation to $9.50 per hour in wages and $0.60 per hour in health benefits in the February 2009 Budget Act, the Service Employees International Union and other parties filed a lawsuit against the reduction. On June 26, 2009, the United States (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, the California Department of Social Services (CDSS) filed an appeal of the injunction with the U.S. Ninth Circuit Court of Appeal. On March 3, 2010, the ruling was upheld by the appellate court. On March 24, 2010, CDSS filed a petition with the U.S. Supreme Court.

The CDSS is still waiting for a decision from the Supreme Court as to whether or not the case will be heard in the next session. In the meantime, on June 29, 2010, the District Court also held that Fresno County could not reduce its wages until the state conducts a study. The litigation proceeds in the District Court as to the issues that are not presented to the Supreme Court. Finally, on October 19, 2010, the Legislature passed Assembly Bill 1612 which prohibits the state from implementing the decreased participation at issue until July 1, 2012, and only then if the litigation has successfully concluded in the state's favor.

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. The IHSS providers may organize and collectively bargain for wages and individual health benefits on a county-by-county basis. For the counties that have County Contract mode, current statute provides for state participation in costs up to the maximum allowable contract rate.

IMPLEMENTATION DATE:

Current state law, which provides for a reduction in state participation of IHSS wages and health benefits from $12.10 to $9.50 per hour in wages and $0.60 per hour in health benefits, was not implemented due to the court injunction.

KEY DATA/ASSUMPTIONS:

- This reduction was not implemented due to the court injunction and is currently suspended until July 1, 2012.

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 IP mode provider wages and health 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 Personal Care Services Program (PCSP) /IHSS Plus Option (IPO) services, the Title XIX Federal Medical Assistance Percentage (FMAP) rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The Fiscal Year 2010-11 blended FMAP rate is equivalent to 59.709 percent. Temporary American Recovery and Reinvestment Act (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:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

Total	2010-11	2011-12
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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 (D&R) 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 or 5 would be eligible to receive D&R 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 Tool is conducted to determine initial eligibility for IHSS, and to reassess the need for services 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 11 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.

After the Legislature and the Governor approved the IHSS Cost Containment service reduction in the 2009 Budget Act, individual IHSS recipients and the Service Employees International Union 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. On October 23, 2009, the judge issued a 31-page order detailing instructions on how the injunction was to be effectuated. The California Department of Social Services (CDSS) filed a Notice of Appeal of the court's preliminary injunction with the Ninth Circuit Court of Appeal. On November 30, 2009, the district court directed the state to permit workers to make up in December 2009, any lost hours which should have been worked in November 2009. The state filed a motion for an emergency stay with the Ninth Circuit Court of Appeal pending the appeal of the district court's November 30th order, which was denied. On December 29, 2009, CDSS filed its opening appeal brief with the Ninth Circuit Court of Appeal; the reply brief was filed April 6, 2010. This appeal seeks to overturn the preliminary injunction and asks the Ninth Circuit to find that the district court abused its discretion by expediting the preliminary injunction motion and holding CDSS in contempt. Oral argument was presented before the Ninth Circuit on June 15, 2010, and the state is awaiting the court's ruling. In the interim, on October 19, 2010, the Legislature passed AB 1612 which prohibits the state from implementing the FI requirements that will generate cost reductions in IHSS services until July, 2012, and only then if the litigation has successfully concluded in the state's favor.

IMPLEMENTATION DATE:

The IHSS Cost Containment service reduction that was included in the 2009 Budget Act was not implemented due to a court injunction.

KEY DATA/ASSUMPTIONS:

This premise is suspended until July 1 2012.

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 D&R services hours for recipients with an FI rank of up to three, with the exclusion of recipients with protective supervision and paramedical services.
- 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 Personal Care Services Program/IHSS Plus Option services, the Title XIX Federal Medical Assistance Percentage (FMAP) rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The FY 2010-11 blended FMAP rate is equivalent to 59.709 percent. Temporary American Recovery and Reinvestment Act (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:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

Total	2010-11	2011-12
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Provider Fee (IHSS Stabilization Act)

DESCRIPTION:

This premise reflects the application of a fee to the gross receipts of all service hours provided through the In-Home Supportive Services (IHSS) program.

Assembly Bill 1612 (Chapter 725, Statutes of 2010) provided that the fee be applied to all providers and equivalent to the state's sales tax rate. Providers will receive a supplementary payment in the amount of the fee collected, thereby creating no impact to them. The monies collected will be used to draw down federal matching funds which will offset a portion of the General Fund (GF) costs for IHSS services provided under the Personal Care Services Program (PCSP) and IHSS Plus Option (IPO) programs.

IMPLEMENTATION DATE:

This premise will implement effective July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Article 4 (commencing with section 6150) of Chapter 2 of Part 1 of Division 2 of the Revenue and Taxation Code, section 17131.9 of the Revenue and Taxation Code, and sections 12302.2 and 12306.6 of the Welfare and Institutions Code.
- The federal Centers for Medicare and Medicaid Services must approve this premise before it can implement.
- The provider fee will be collected retroactively to July 1, 2010.
- The Current Year (CY) sales tax rate is six percent.
- The Budget Year (BY) sales tax rate is projected to be five percent.

METHODOLOGY:

The applicable sales tax rate is applied to the cost of IHSS services per the IHSS Basic premise and is adjusted by the impact of the 3.6 Percent Across-the-Board Reduction. The PCSP and IPO programs will receive federal financial participation to offset the GF cost. The offset is equivalent to applying the Title XIX Federal Medical Assistance Percentage (FMAP) rate to the amount of fees collected from providers serving recipients in the PCSP and IPO programs.

FUNDING:

For the PCSP/IPO services, the Title XIX FMAP rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011 at a phased down rate. The FY 2010-11 blended FMAP rate is equivalent to 59.709 percent. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

Under the PCSP/IPO programs, the nonfederal share is 100 percent GF.

There is no benefit to the Residual program.

Provider Fee (IHSS Stabilization Act)

CHANGE FROM THE APPROPRIATION:

The CY decrease in GF savings reflects an updated IHSS basic cost.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease in GF savings reflects the provider fee tying to a lower projected sales tax rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$0	$0
Federal	0	0
State	-155,290	-130,860
County	0	0
Reimbursements	155,290	130,860

3.6 Percent Across-the-Board Reduction

DESCRIPTION:

This premise reflects the savings associated with reducing service hours by 3.6 percent for the In-Home Supportive Services (IHSS) program. Assembly Bill 1612 (Chapter 725, Statutes of 2010) provides that a 3.6 percent reduction be applied to all recipients for IHSS services under the Personal Care Services Program (PCSP), IHSS Plus Option (IPO), and Residual programs. Recipients may determine which of their services will be impacted by the reduction. The administrative costs which result from this premise are included in the 3.6 Percent Across-the-Board Reduction Administration premise.

IMPLEMENTATION DATE:

This premise will implement on February 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12301.06.
- The 3.6 percent reduction will be applied to 193 million paid service hours, resulting in a loss of seven million hours in the Current Year (CY), and 478 million paid service hours, resulting in a loss of 17 million hours in the Budget Year (BY).
- Assumes an average hours per case per month of 87.25 in the CY, and 87.26 in the BY, and savings resulting from an average cost per hour of $11.53.
- Assumes the reduction of 3.1 monthly hours per recipient for the 441,549 impacted recipients during the five month impact in the CY, for a total reduction of 6.9 million hours.
- Assumes the reduction of 3.1 monthly hours per case for the 456,380 impacted recipients during the BY, for a total reduction of 17.2 million hours.
- Assumes one-time State Operations costs in the CY of $576,000 total funds, of which $288,000 is General Fund (GF).

METHODOLOGY:

The estimated savings is computed by multiplying the total paid service hours by the 3.6 percent reduction and the average cost per hour. The savings in the CY is offset by the State Operations costs.

FUNDING:

For the PCSP/IPO services, the Title XIX Federal Medical Assistance Percentage (FMAP) rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011 at a phased down rate. The FY 2010-11 blended FMAP rate is equivalent to 59.709 percent. However, for the applicable five months in the CY under this premise, the adjusted FMAP rate is 57.635 percent. Temporary American Recovery and Reinvestment Act of 2009 (ARRA), FMAP increases have

3.6 Percent Across-the-Board Reduction

FUNDING (CONTINUED):

been placed under the ARRA premise. For more information, please see the ARRA premise description.

In the PCPS and IPO programs, the nonfederal share is split 65 percent GF and 35 percent county.

In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent.

For the State Operations cost, the federal share is 50 percent and the state share is 50 percent.

CHANGE FROM THE APPROPRIATION:

The CY decrease in savings reflects the delay in implementation. The Appropriation assumed nine months of savings in the CY.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase in savings reflects a full year of savings.

EXPENDITURES:

(in 000's)

Service Hour Savings (including State Operations costs*)	2010-11	2011-12
Total	$-79,391	$-198,376
Federal	0	0
State	-26,071	-65,391
County	-14,194	-35,210
Reimbursements	-39,126	-97,775

* In the CY only.

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 Hewlett Packard Enterprise Services, LLC (HP) formerly known as Electronic Data Systems 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 HP/BSC. Claims regarding missed share of cost (SOC) buyouts and excess SOC claims, also known as
X-27 SPEC Transactions, are also submitted to the BSC, then forwarded to 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 HP/BSC, it is assumed that approximately 38 claims will be forwarded to APB and processed per month, of which each qualified analyst will process an average of ten Conlan and four X-27 SPEC Transactions per month. The average cost per claim is assumed to be $772 for Conlan claims and $711 for X-27 SPEC Transaction claims in Fiscal Year (FY) 2010-11 and FY 2011-12.
- The Conlan estimate now includes the cost of service reimbursements for three-month retroactive benefits which were previously provided for under the Personal Care Services Program (PCSP) Three-Month Retroactive Benefits services premise. These costs total $10,000 for both the Current Year (CY) and the Budget Year (BY).
- The PCSP Three-Month Retroactive Benefits services portion that is now incorporated in the Conlan 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.

Conlan

METHODOLOGY:

The estimated cost is computed by multiplying the number of claims by the approval rate, then by the average cost per claim.

FUNDING:

Conlan claims are paid 65 percent General Fund (GF) and 35 percent county. The county share is reflected as a reimbursement.

X-27 SPEC Transactions are paid 100 percent GF.

PCSP Three-Month Retroactive Benefits are paid at the Title XIX FMAP rate which temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The FY 2010-11 blended FMAP rate is equivalent to 59.709 percent. The nonfederal share is split 65 percent GF and 35 percent county. Temporary American Recovery and Reinvestment Act (ARRA) of 2009 FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM THE APPROPRIATION:

The CY increase reflects updated claims processed and average payouts.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

PCSP/IPO/Residual	2010-11	2011-12
Total	$358	$358
Federal	0	0
State	258	258
County	0	0
Reimbursements	100	100

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, modified notices of actions to inform of authorized services, provider orientations, reviews of criminal offender record information, subsequent arrest notifications, appeals of provider terminations, and timecard fingerprinting.
- County Investigations – Includes 78 county investigators and unannounced home visits to confirm services are being provided as authorized.
- County DA/Activities – Includes county anti-fraud plans/activities in collaboration with county District Attorneys.
- Fingerprinting IHSS recipients.
- Timecard accountability.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- The CY assumes three percent of the adjusted cost of basic IHSS services will be scored as savings, inflated by the administrative costs. The adjusted basic includes the impact from the Title XIX Eligible Recipients Adjustment (Residual portion only) and the 3.6 Percent Across-the-Board Reduction.
- The estimated net General Fund (GF) savings at the enhanced blended Federal Medical Assistance Percentage (FMAP) rate of 59.709 percent is $42.8 million in the Current Year (CY), or $51 million at the FMAP rate of 50 percent. The CY assumes 12 months at the enhanced FMAP rate due to the American Recovery and Reinvestment Act of 2009 (ARRA).
- The CY savings to program costs generated as a result of this premise will benefit from the ARRA. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

IHSS Anti-Fraud Initiative Savings

KEY DATA/ASSUMPTIONS (CONTINUED):

- The BY assumes a net GF savings at the FMAP rate of 50 percent $130 million in the Budget Year (BY), inflated by the administrative costs.
- Savings are generated as a result of the anti-fraud efforts performed under the following premises/activities: County/DA Activities; County Investigation; IHSS Anti-Fraud Initiative - Related Activities; Fingerprinting Recipients; and Fingerprinting Recipients Admin
- 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.

METHODOLOGY:

The CY net savings is determined by calculating three percent of the adjusted cost of IHSS basic services. For the BY, the amount of net savings is tied to $130 million GF. The net savings are 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 Personal Care Service Program/IHSS Plus Option services, the Title XIX FMAP rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011 at a phased down rate. The Fiscal Year 2010-11 blended FMAP rate is equivalent to 59.709 percent. 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 decrease reflects savings at three percent of the adjusted cost of IHSS basic services.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects the targeted savings of $130 million GF.

IHSS Anti-Fraud Initiative Savings

EXPENDITURES:

(in 000's)

Totals	2010-11	2011-12
PCSP/IPO/Residual		
Total	-$204,071	-$451,126
Federal	0	0
State	-68,423	-151,031
County	-35,143	-77,735
Reimbursements	-100,505	-222,360

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8.4 Percent Across-the-Board Reduction (Governor's Special Session)

DESCRIPTION:

This premise reflects the savings associated with reducing service hours by 8.4 percent for the In-Home Supportive Services (IHSS) program to all recipients. This reduction mirrors the 12 Percent Reduction to IHSS Service Hours of 1992-93, in that recipients at risk of out-of-home placement would receive an opportunity for a partial or full restoration of reduced hours through a request for supplemental care. Those recipients determined not to be at risk for out-of-home placement would be able to appeal the determination only after completing the supplemental care request process. The reduction would be in addition to the 3.6 percent Across-the-Board Reduction that will implement in February 2011.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011, with an enactment date of March 1, 2011.

KEY DATA/ASSUMPTIONS:

- Assumes this reduction is applied to all projected IHSS paid service hours in the Budget Year (BY).
- Assumes the social worker (SW) unit cost is $60.55 per hour.
- Assumes 82,579 recipients will submit a supplemental care request form and will qualify to receive supplemental care. Of those recipients, 25 percent receive full restoration of hours, 56 percent will receive half restoration, and 19 percent will receive 75 percent restoration.
- Assumes 373,801 recipients will not receive supplemental care. Of that population, 58,244 recipients will appeal, of which 14,561 will receive a hearing and, of those, 146 recipients will receive full restoration.
- Assumes half an hour of SW time to process the supplemental care form for recipients who receive full restoration (20,645 recipients), and one hour of SW time to process the supplemental care form for recipients who receive partial restoration (61,934 recipients).
- Assumes the reduction of 6.7 monthly hours per case for the 435,590 impacted recipients, for a total reduction of 35.2 million hours.
- Assumes that of the targeted 8.4 percent reduction, only 7.4 percent will be scored as savings, resulting from those recipients who receive partial or full restoration.
- Assumes one hour of SW time for administrative costs to process appeals for partial restorations (15,484 recipients) and to prepare and present at hearings (14,561), and 0.75 hours to process appeal requests for recipients not granted a hearing (43,683 recipients).
- Assumes 35 Administrative Law Judges and 28 support staff to process all appeals in a timely manner that prevents penalties; resulting in $4.5 million total funds, of which $2.2 million is General Fund (GF).

8.4 Percent Across-the-Board Reduction (Governor's Special Session)

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes 351,680 hours of aid will be paid pending the results of the appeals; resulting in $4.1 million total funds, of which $1.3 million is GF.
- Assumes $519,000 total funds will be needed in the Current Year (CY) to implement changes to the Case Management and Information Payrolling System (CMIPS) Legacy system. The CMIPS II system change costs are absorbed under the 3.6 Across-the-Board Reduction.
- The estimated administrative activities Title XIX reimbursement percentage for the BY is 49.30 based on actual expenditures as reported on county administrative expense claims for the past four quarters.

METHODOLOGY:

The savings are computed by multiplying the total number of paid service hours by the net 7.4 percent reduction, by the average cost per hour. The savings is offset by administrative costs, State Operations costs, and aid paid pending. The CMIPS Legacy system change costs are included in the CY.

FUNDING:

- In the Personal Care Service Program (PCSP)/IHSS Plus Option (IPO) programs and the aid paid pending, the Title XIX Federal Medical Assistance Percentage (FMAP) rate for services is 50 percent in the BY. The nonfederal share for services is split 65 percent GF and 35 percent county. In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent.
- In the PCSP/IPO programs, the federal Title XIX FMAP rate for administrative activities is 50 percent of the total funding in the BY. The nonfederal share is split 70 percent GF and 30 percent county.
- For the CMIPS Legacy costs, the federal Title XIX FMAP rate for the PCSP/IPO programs represents 50 percent of the total funding in the CY. The nonfederal share is split 70 percent GF and 30 percent county. In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.
- For the State Hearings Division costs, the federal share is 50 percent and the state share is 50 percent.

CHANGE FROM THE APPROPRIATION:

This premise will implement in the BY.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

8.4 Percent Across-the-Board Reduction (Governor's Special Session)

EXPENDITURES:
(in 000's)

Net Savings	2010-11	2011-12
Total	$519	-$389,736
Federal	0	0
State	184	-127,497
County	79	-70,171
Reimbursements	256	-192,068

Service Hour Savings (including State Operations costs and Aid Paid Pending)

	2010-11	2011-12
Total	$0	$-397,914
Federal	0	0
State	0	-130,399
County	0	-71,415
Reimbursements	0	-196,100

Administration	2010-11	2011-12
Total	$0	$8,178
Federal	0	0
State	0	2,902
County	0	1,244
Reimbursements	0	4,032

CMIPS Legacy	2010-11	2011-12
Total	$519	$0
Federal	0	0
State	184	0
County	79	0
Reimbursements	256	0

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Eliminate D&R Services for All Recipients Under 18 with an Able and Available Parent Provider (Governor's Special Session)

DESCRIPTION:

This premise reflects the savings associated with eliminating domestic and related (D&R) service hours for all In-Home Supportive Services (IHSS) recipients under 18 years old with an able and available parent provider. This premise includes interactions with the 3.6 Percent Across-the-Board Reduction and the 8.4 Percent Across-the-Board Reduction.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011, with an enactment date of March 1, 2011.

KEY DATA/ASSUMPTIONS:

- Assumes interactions with the 3.6 Percent Across-the-Board Reduction and the 8.4 Percent Across-the-Board Reduction.
- Assumes 7,187 recipients are under 18 years old, with an able and available parent provider, and would be impacted by this reduction.
- After accounting for interactions, assumes an average monthly reduction of 4.9 D&R hours per case, for a total reduction of 423,500 D&R hours.
- Assumes 25 percent of the impacted recipients, or 1,797 recipients, will appeal, but that there will be no restoration of hours.
- Assumes the social worker (SW) unit cost is $60.55 per hour.
- Assumes one hour of SW time to process the population that appeals.
- The net savings does not include the costs associated with the modifications to the Case Management Information and Payrolling System (CMIPS) Legacy and CMIPS II.
- The estimated administrative activities Title XIX reimbursement percentage for the Budget Year (BY) is 49.30 based on actual expenditures as reported on county administrative expense claims for the past four quarters.

METHODOLOGY:

The savings are computed by multiplying the D&R service hours for all recipients under 18 with an able and available parent provider, less the interaction with the 3.6 Percent Across-the-Board Reduction and the 8.4 Percent Across-the-Board Reduction, by the average cost per hour. The savings is offset by the administrative costs.

FUNDING:

In the Personal Care Service Program (PCSP)/IHSS Plus Option (IPO) programs, the Title XIX Federal Medical Assistance Percentage (FMAP) rate for services is 50 percent in the BY. The nonfederal share for services is split 65 percent General Fund (GF) and 35 percent county. In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent.

Eliminate D&R Services for All Recipients Under 18 with an Able and Available Parent Provider (Governor's Special Session)

FUNDING (CONTINUED):

In the PCSP/IPO programs, the federal Title XIX FMAP rate for administrative activities is 50 percent of the total funding in the BY. The nonfederal share is split 70 percent GF and 30 percent county.

CHANGE FROM THE APPROPRIATION:

This premise will implement in the BY.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

Net Savings	2010-11	2011-12
Total	$0	-$4,774
Federal	0	0
State	0	-1,571
County	0	-850
Reimbursements	0	-2,353

Service Hour Savings	2010-11	2011-12
Total	$0	-$4,883
Federal	0	0
State	0	-1,609
County	0	-867
Reimbursements	0	-2,407

Administration	2010-11	2011-12
Total	$0	$109
Federal	0	0
State	0	38
County	0	17
Reimbursements	0	54

Eliminate D&R Services for Recipients in a Shared Living Arrangement (Governor's Special Session)

DESCRIPTION:

This premise reflects the savings associated with reducing domestic and related (D&R) services for In-Home Supportive Services (IHSS) program recipients living in a shared living arrangement (SLA). An SLA is defined as a living arrangement in which a recipient lives in a dwelling with another individual. For recipients living in an SLA in which the D&R services need is met in common with other members of the dwelling, and which provides that the recipients can remain safely in their own home, the authorized hours are reduced, or pro-rated, by the amount in which the need is met in common.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011, with an enactment date of March 1, 2011.

KEY DATA/ASSUMPTIONS:

- Assumes interactions with the 3.6 Percent Across-the-Board Reduction, the 8.4 Percent Across-the-Board Reduction, and the Elimination of D&R Services for All Recipients Under 18 with an Able and Available Parent Provider.
- Assumes the SLA population consists of recipients with pro-rated D&R hours and recipients with non-pro-rated D&R hours.
- Assumes that of the 288,856 recipients with their pro-rated D&R hours eliminated, 144,428 recipients will appeal. Of the total impacted recipients with pro-rated D&R hours, 20 percent, or 28,886 recipients, will win their appeals and receive full restoration. This results in savings from 259,970 recipients, with an average monthly reduction of 14.3 D&R hours per case, or 44.5 million total D&R hours.
- Assumes that of the 201,644 recipients with non-pro-rated hours, 184,840 recipients will be reassessed in Fiscal Year (FY) 2011-12, with the remaining 16,804 to be reassessed in FY 2012-13. It is also assumed that the savings generated from the non-pro-rated recipients are tied to reassessments for this population.
- Assumes that of the 184,840 recipients with non-pro-rated D&R hours, 92,420 recipients will not obtain written verification from a doctor of a medical condition that would preclude him/her from being impacted by the reduction, generating savings based on an average monthly reduction of 16.5 D&R hours per case, or 18.3 million total D&R hours.
- Assumes the social worker (SW) unit cost is $60.55 per hour.
- Assumes one hour of SW time to process the recipients who appeal the elimination of their pro-rated D&R hours.
- Assumes 0.25 hours of SW time to process the recipients who obtain written verification from a doctor of a medical condition that would preclude him/her from being impacted by the reduction and appeal the elimination of their non-pro-rated D&R hours.

Eliminate D&R Services for Recipients in a Shared Living Arrangement (Governor's Special Session)

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimated administrative activities Title XIX reimbursement percentage for the Budget Year (BY) is 49.30 based on actual expenditures as reported on county administrative expense claims for the past four quarters.
- The net savings does not include the costs associated with the modifications to the Case Management, Information and Payrolling System (CMIPS) Legacy and CMIPS II.

METHODOLOGY:

The savings are computed by multiplying the D&R service hours for recipients with an SLA, less the interactions with the 3.6 Percent Across-the-Board Reduction, the 8.4 Percent Across-the-Board Reduction, and the Elimination of D&R Services for All Recipients Under 18 with an Able and Available Parent Provider, by the average cost per hour. The savings is offset by the administrative costs.

FUNDING:

In the Personal Care Service Program (PCSP)/IHSS Plus Option (IPO) programs, the Title XIX Federal Medical Assistance Percentage (FMAP) rate for services is 50 percent in the BY. The nonfederal share for services is split 65 percent General Fund (GF) and 35 percent county. In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent.

In the PCSP/IPO programs, the federal Title XIX FMAP rate for administrative activities is 50 percent of the total funding in the BY. The nonfederal share is split 70 percent GF and 30 percent county.

CHANGE FROM THE APPROPRIATION:

This premise will implement in the BY.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

Eliminate D&R Services for Recipients in a Shared Living Arrangement (Governor's Special Session)

EXPENDITURES:
(in 000's)

Net Savings	2010-11	2011-12
Total	$0	-$713,507
Federal	0	0
State	0	-235,036
County	0	-126,783
Reimbursements	0	-351,688

Service Hour Savings	2010-11	2011-12
Total	$0	$-723,651
Federal	0	0
State	0	-238,636
County	0	-128,326
Reimbursements	0	-356,689

Administration	2010-11	2011-12
Total	$0	$10,144
Federal	0	0
State	0	3,600
County	0	1,543
Reimbursements	0	5,001

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Eliminate All Services for Recipients without a Physician's Certificate (Governor's Special Session)

DESCRIPTION:

This premise reflects the savings associated with eliminating all services for In-Home Supportive Services (IHSS) recipients who are unable to obtain a physician's written certification that personal care services are necessary to prevent him/her from entering out-of-home care. This premise includes interactions with the 3.6 Percent Across-the-Board Reduction, the 8.4 Percent Across-the-Board Reduction, the Elimination of Domestic and Related (D&R) Services for All Recipients Under 18 with an Able and Available Parent Provider, and the Elimination of D&R Services for Recipients in a Shared Living Arrangement.

IMPLEMENTATION DATE:

This premise will implement July 1, 2011, with an enactment date of March 1, 2011.

KEY DATA/ASSUMPTIONS:

- Assumes interactions with the 3.6 Percent Across-the-Board Reduction, the 8.4 Percent Across-the-Board Reduction, the Elimination of D&R Services for All Recipients Under 18 with an Able and Available Parent Provider, and the Elimination of D&R Services for Recipients in a Shared Living Arrangement.

- Assumes all current and new recipients will be required to obtain a physician's written certification which states that personal care services, as provided through IHSS, are necessary to prevent him/her from having to enter out-of-home care.

- Assumes 10 percent of both current recipients reassessed and new recipients assessed will not obtain a physician's certificate, resulting in savings. Assumes the elimination of 65 monthly hours per case, after interactions with the other Governor's Special Session reductions to IHSS service hours.

- Assumes 441,549 current recipients and 14,831 new recipients in Fiscal Year (FY) 2011-12. Of the current recipients, 404,753 recipients will be reassessed and, of the new recipients, all 14,831 will be assessed. The remaining 36,796 will be reassessed in Fiscal Year 2012-13.

- Assumes a total of 41,958 recipients (40,475 current recipients and 1,483 new recipients) will not obtain a physician's certificate and be eliminated from the IHSS program.

- Assumes the social worker (SW) unit cost is $60.55 per hour.

- Assumes 0.5 hours of SW time to process the receipt of a physician's certificate for 364,278 current and 13,348 new recipients.

- The net savings does not include the costs associated with the modifications to the Case Management Information and Payrolling System (CMIPS) Legacy and CMIPS II.

Eliminate All Services for Recipients without a Physician's Certificate (Governor's Special Session)

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimated administrative activities Title XIX reimbursement percentage for the Budget Year (BY) is 49.30 percent based on actual expenditures as reported on county administrative expense claims for the past four quarters.

METHODOLOGY:

The savings are computed by multiplying the service hours for recipients without a physician's certificate, less the interactions of the 3.6 Percent Across-the-Board Reduction, the 8.4 Percent Across-the-Board Reduction, the Elimination of D&R Services for All Recipients Under 18 with an Able and Available Parent Provider, and the Elimination of D&R Services for Recipients in a Shared Living Arrangement, by the average cost per hour. The savings is offset by the administrative costs.

FUNDING:

- In the Personal Care Service Program (PCSP)/IHSS Plus Option (IPO) programs, the Title XIX Federal Medical Assistance Percentage rate for services is 50 percent in the BY. The nonfederal share for services is split 65 percent General Fund (GF) and 35 percent county. In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent.

- In the PCSP/IPO programs, the federal Title XIX FMAP rate for administrative activities is 50 percent of the total funding in the BY. The nonfederal share is split 70 percent GF and 30 percent county.

CHANGE FROM THE APPROPRIATION:

This premise will implement in the BY.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

Net Savings	2010-11	2011-12
Total	$0	$-366,052
Federal	0	0
State	0	-120,367
County	0	-65,259
Reimbursements	0	-180,426

Eliminate All Services for Recipients without a Physician's Certificate (Governor's Special Session)

EXPENDITURES (CONTINUED):

(in 000's)

Service Hour Savings	2010-11	2011-12
Total	$0	$-377,484
Federal	0	0
State	0	-124,424
County	0	-66,998
Reimbursements	0	-186,062

Administration

	2010-11	2011-12
Total	$0	$11,432
Federal	0	0
State	0	4,057
County	0	1,739
Reimbursements	0	5,636

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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 (IHSS) Personal Care Services Program (PCSP) or IHSS Plus Option (IPO) program.

The 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 programs. The SNFLOC Waiver program was approved by the federal 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 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 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, 2010, CMS extended the In-Home Operations (IHO) Waiver for a five-year period effective January 1, 2010, through December 31, 2014. 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 LOC cost cap under the NF/AH Waiver. "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 WPCS, waiver consumers must be receiving some SPPCS. The WPCS 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. The 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.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

Waiver Personal Care Services

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 14132.97.
- The average number of new NF A/H Waiver NF A/B LOC beneficiaries using the WPCS is estimated to be 12 per month in Fiscal Year (FY) 2010-11, and 13 per month in FY 2011-12.
- The average number of new NF A/H Waiver NF S/A LOC beneficiaries using the WPCS is estimated to be three per month in FY 2010-11, and three per month in FY 2011-12.
- The average number of current and new NF A/H Waiver NF A/B LOC beneficiaries using the WPCS is estimated to be 796 per month in FY 2010-11, and 945 per month in FY 2011-12.
- The average number of current and new NF A/H Waiver NF S/A LOC beneficiaries using the WPCS is estimated to be 355 per month in FY 2010-11, and 391 per month in FY 2011-12.
- The average number of current and new IHO Waiver NF A/B LOC beneficiaries using the WPCS is estimated to be 53 per month in FY 2010-11, and 53 per month in FY 2011-12.
- The average number of current and new IHO Waiver NF S/A LOC beneficiaries using the WPCS is estimated to be 13 per month in FY 2010-11, and 13 per month in FY 2011-12.
- The Current Year (CY): The NF A/H Waiver NF A/B LOC total hours are 1,786,736 and NF S/A LOC total hours are 1,416,582. The IHO Waiver NF A/B LOC total hours are 151,368 and NF S/A LOC total hours are 28,236.
- The Budget Year (BY): The NF A/H Waiver NF A/B total hours are 2,119,839 and NF S/A total hours are 1,560,438. The IHO Waiver NF A/B total hours are 151,368 and NF S/A total hours are 28,236.
- The cost per hour is assumed at $10.67 in the CY and the BY.
- The IHO Waiver is set to expire on December 31, 2014.
- 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.

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 temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The FY 2010-11 blended FMAP rate is equivalent to 59.709 percent. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

Waiver Personal Care Services

- The DHCS draws down General Fund (GF) and Title XIX reimbursement shares for this premise through its budget. The California Department of Social Services receives full reimbursement from DHCS.
- The nonfederal share of the service costs is funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

The CY decrease reflects the current caseload and hours offset by an increase in the cost per hour.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects growth in caseload and hours.

EXPENDITURES:

(in 000's)

WPCS	2010-11	2011-12
Total	$36,096	$41,184
Federal	0	0
State	0	0
County	0	0
Reimbursements	36,096	41,184

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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, a technical adjustment is necessary for the correct amount of federal financial participation (FFP) to be identified and drawn down, which results in corresponding reductions to state and county costs.

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 reductions to be applied the state and county shares.

The Current Year (CY) and the Budget Year (BY) projected caseload percentages for the PCSP/IPO and Residual programs are 91.95 percent and 8.05 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 98.58 percent and the true total Residual caseload of 1.42 percent for Fiscal Year (FY) 2010-11 and FY 2011-12.

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 IPO 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 6,290 recipients in the CY and 6,501 recipients in the BY will not be 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 $128 million General Fund (GF) and a $69 million county share reduction to the cost of the impacted premises in the CY, and $132 million GF and a $71 million county share reduction to the cost of the impacted premises in the BY.
- Assumes a Residual program average monthly cost per case of $1,058.78 for the CY and the BY, based on the "Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs" premise.
- This premise adjusts the residual portion of the following premises: IHSS Basic, Public Authority Administration (PA Admin.), and Reduce Public Authority Administration (PA Admin. Reduction).
- The adjustment to IHSS Basic under 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.

METHODOLOGY:

For IHSS Basic, the savings is determined by backing out the cost of the Residual population that is actually Title XIX eligible. For the PA Admin. and PA Admin. Reduction premises, the total adjustments for the Title XIX eligible populations are determined by using a percent to total for each premise. The Title XIX eligible values are then re-shared using a 50 percent FMAP rate for the federal share with the nonfederal share split 65 percent GF and 35 percent county.

FUNDING

- For PCSP/IPO services, the Title XIX FMAP rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011 at a phased down rate. The FY 2010-11 blended FMAP rate is equivalent to 59.709 percent. 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 federal and county shares are reflected as reimbursements, consistent with actual cash flow.
- The Title XIX funds are shown as a reimbursement.

CHANGE FROM THE APPROPRIATION:

The CY decrease in savings reflects a decrease in the re-shared Title XIX population.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase in savings reflects an increase in cases moving from the Residual program to the federal PCSP or IPO programs.

Title XIX Eligible Recipients Adjustment

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$0	$0
Federal	0	0
State	-127,620	-131,745
County	0	0
Reimbursements	127,620	131,745

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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 366 represents the Title XIX service reimbursements for the IHSS Personal Care Services Program (PCSP) and IHSS Plus Option (IPO) program, as well as IHSS provided through the waivers included under the Waiver Personal Care Services (WPCS) premise.
- Line 369 represents the Title XIX service reimbursements for federally-eligible recipients identified under the IHSS Residual program but who are eligible for and are recipients of the PSCP or IPO programs.
- Line 371 represents the Title XIX administrative costs eligible for reimbursement.

KEY DATA/ASSUMPTIONS:

IHSS

- Authorizing statute: Welfare and Institutions Code (W&IC) sections 12300 through 12317.2.
- The PCSP and IPO programs 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.
- The PCSP and IPO programs 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 activities are ineligible to receive temporary FMAP increases as a result of the ARRA. For more information, please see the ARRA premise description.
- The DHCS pulls down the Title XIX and General Fund (GF) funding for the WPCS through its budget; CDSS then receives full reimbursement from DHCS.

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 for CSBG and sections 15703 through 15705.40 (APS).

METHODOLOGY:

IHSS PCSP/IPO

For PCSP/IPO services, the Title XIX FMAP rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011 at a phased down rate. The Fiscal Year (FY) 2010-11 blended FMAP rate is equivalent to 59.709 percent. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

IHSS Administration

The 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 75 percent.

The estimated Title XIX reimbursement percentage for FY 2010-11 is held to the Appropriation at 49.13. The estimated Title XIX reimbursement percentage for FY 2011-12, is 49.30 percent, which is based on actual expenditures as reported on the County Expense Claim for the past four quarters.

CWS

For the Current Year (CY) and the Budget Year (BY), the Title XIX reimbursement was calculated using prior year actual expenditures.

CSBG/APS

The 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 75 percent.

Estimated costs are based on actual expenditures.

Title XIX Reimbursement – In-Home Supportive Services/CSBG/Child Welfare Services

CHANGE FROM THE APPROPRIATION:

The CY increase reflects updated current data.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects updated current data.

EXPENDITURES:

(in 000's)	2010-11	2011-12
Title XIX Total	**$3,659,462**	**$2,278,410**
IHSS Services	**$3,267,487**	**$1,883,732**
PCSP/IPO	3,071,149	1,681,047
Federally-Elig. Recip. Adjustment	196,338	202,685
Health Related Activities	**$391,975**	**$394,678**
IHSS Administration	197,258	196,804
CWS	130,024	131,060
CSBG	23,059	23,606
APS/APS Training	41,634	43,208

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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 program. 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 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 System Improvement Plan (SIP) expenditures are assumed to be held at $8.2 million total funds, the 2007-08 Appropriation value, for both the CY and the BY.
- The estimated Title XIX reimbursement percentage for Fiscal Year (FY) 2010-11 is held to the Appropriation at 49.13 percent. The estimated Title XIX reimbursement percentage for FY 2011-12, is 49.30 percent, which is based on actual expenditures as reported on the County Expense Claim for the past four quarters.

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 programs, 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:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects a decrease in caseload and an updated Title XIX reimbursement percentage. The CY caseload was held to the 2010-11 Appropriation, which used a projected caseload trend of 466,292.

CASELOAD:

	2010-11	2011-12
Average Monthly Caseload	466,292	456,380

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$335,137	$327,487
Federal	0	0
State	119,330	116,220
County	51,141	49,808
Reimbursements	164,666	161,459

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 (Chapter 90, Statutes of 1999).

The 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 49.13 percent and 49.30 percent for the BY based on actual expenditures reported on the County 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 administrative costs is split 70 percent state and 30 percent county.

For the 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:

The change reflects the updated Title XIX Administrative rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$360	$361
Federal	0	0
State	128	128
County	55	55
Reimbursements	177	178

Court Cases

DESCRIPTION:

This premise reflects the cost of court settlements and attorney fees related to adult programs, which include In-Home Supportive Services (IHSS), Cash Assistance Program for Immigrants (CAPI), Supplemental Security Income/State Supplementary Payment (SSI/SSP), Adult Protective Services (APS), and specialized services. 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:

This 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 reflect estimated costs of known and anticipated settlements and attorney fees related to the IHSS, CAPI, SSI/SSP, APS, and specialized services programs. The settlement and attorney fees are state only costs.

FUNDING:

Costs for case settlement and attorney fees are funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The CY decrease reflects the latest projected attorney fees from the CDSS Legal Division.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects the latest projected attorney fees from the CDSS Legal Division.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$442	$865
Federal	0	0
State	442	865
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). The 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 (FY) 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)

	2010-11	2011-12
Administration		
Total	$3,072	$3,072
Federal	0	0
State	1,628	1,628
County	0	0
Reimbursements	1,444	1,444

Eliminate Mandate Requiring IHSS Advisory Committees (Governor's Special Session)

DESCRIPTION:

This premise reflects the savings from eliminating the mandate that requires state participation in In-Home Supportive Services (IHSS) advisory committees as established by Assembly Bill (AB) 1682 (Chapter 90, Statutes of 1999). The 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 will implement July 1, 2011, with an enactment date of March 1, 2011.

KEY DATA/ASSUMPTIONS:

- This premise requires statutory changes to Welfare and Institutions Code sections 12300 through 12314 to change the IHSS Advisory Committees from being mandatory to being discretionary.
- The estimate assumes an average annual savings per advisory committee per county of $52,966, with all 58 counties impacted in the Budget Year (BY).
- The estimated Title XIX reimbursement percentage is 47 percent in the BY, based on actual expenditures as reported on county administrative expense claims for Fiscal Year (FY) 2005-06.

METHODOLOGY:

The estimated savings is computed by multiplying the average annual savings per county by 58 counties.

FUNDING:

The federal Title XIX reimbursement represents 47 percent of the total funding in the BY. The remaining nonfederal share is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

This premise will implement in the BY.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

Eliminate Mandate Requiring IHSS Advisory Committees

(Governor's Special Session)

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Administration		
Total	$0	$-3,072
Federal	0	0
State	0	-1,628
County	0	0
Reimbursements	0	-1,444

IHSS 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. The SB 1104 mandated ongoing staff training for county In-Home Supportive Services (IHSS) workers and required the California Department of Social Services (CDSS) 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. 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.
- The QA methodology derives savings from improving assessments and reassessments completed after social workers (SW) receive training.
- 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).
- The estimated Title XIX reimbursement percentage for Fiscal Year (FY) 2010-11 is held to the appropriation at 49.13 percent. The estimated Title XIX reimbursement percentage for FY 2011-12, is 49.30 percent, which is based on actual expenditures as reported on the County Expense Claim for the past four quarters.

<u>County Staff</u>

- There are 220 county QA staff or additional IHSS workers working on the QA Initiative**.**
- The annual cost per SW is $129,083.
- The Current Year (CY) and the Budget Year (BY) include costs for a contract with the ISR to evaluate the impact of the HTGs.
- The CY and the BY include costs for an interagency agreement (IA) with the California Department of Public Health (CDPH) regarding the sharing of death record information. This information will allow CDSS to assure benefits are paid properly by searching for and identifying fraudulent cases in which deceased recipients continue to exist as active recipients in the IHSS Case Management Information and Payrolling System.

IHSS Quality Assurance

KEY DATA/ASSUMPTIONS (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.

METHODOLOGY:

The estimate is computed by multiplying the number of QA positions by the annual SW cost, then adding the costs of SW training, HTGs, and IA contracts.

FUNDING:

- The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share for the Personal Care Services Program /IHSS Plus Option administrative costs are 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:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease in General Funds and increase in Total Funds reflects the updated contract costs and the updated Title XIX reimbursement percentage.

EXPENDITURES:

(in 000's)

Administration	2010-11	2011-12
Total	$31,444	$31,467
Federal	0	0
State	11,196	11,167
County	4,798	4,786
Reimbursements	15,450	15,514

Reduce IHSS County Administration

DESCRIPTION:

This premise reflects the savings from reducing county administration costs by five percent effective July 1, 2008. The savings are based on the Budget Act of 2008 Appropriation county administration costs.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

The reduction to In-Home Supportive Services 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 based on the Budget Act of 2008 Appropriation.

FUNDING:

- The Title XIX federal sharing ratio is based on the Federal Medical Assistance Percentage rate from the Budget Act of 2008 Appropriation.
- The nonfederal share is split 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)

	2010-11	2011-12
Administration		
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 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.

This premise reflects the costs for activities necessary to maintain compliance with 1915(j) requirements. Implementation of the IHSS Plus Option (IPO) requires social workers (SWs) to be trained in the concepts and methods of being supports-brokers. The SWs must also complete risk management assessments for all IPO recipients to be able to identify, mitigate, and assume risks. The IPO service costs are included under the Personal Care Services Program (PCSP)/IPO/Residual IHSS Basic Costs premise.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Assembly Bill (AB) X4 4, (Chapter 4, Statutes of 2009-10, Fourth Extraordinary Session), section 42, required 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 five representative counties no later than 90 days from the date of approval of the 1915(j) State Plan Option to assess implementation costs of this program. Per AB X4 4, to the extent 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. From March 2010, until April 2010, the counties of San Diego, San Joaquin, Lassen, Mariposa, and Tuolumne had ten percent of their SWs participate in tracking the time associated with implementing the Risk Management Process, which includes Individual Emergency Backup Plans. The results determined that it took, on average, 15 minutes to complete this activity. Since this premise already included an assumption of 15 minutes of SW time to complete each Risk Management assessment, no revised budget will be submitted to the Legislature.
- The estimate assumes 15 minutes of SW time to complete the initial assessments of the risk management process for 16,255 recipients, or half of the current IPO program recipients, in the Current Year (CY).
- The estimate assumes 17,347 new and existing IPO recipients will receive their first risk management assessment during the Budget Year (BY). Ongoing assessments will occur for the 16,255 recipients who had their initial assessment in the CY, and assumes 15 minutes of SW time per reassessment.

IHSS Plus Option (IPO) - Administration

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes 3.25 hours of the one-time supports-broker training for each SW.
- Two training sessions will be needed in the CY and four training sessions will be needed in the BY, at an assumed cost of $15,000 per session. Both the CY and BY assume $30,000 for training development.
- Assumes a total of 2,250 active SWs statewide. There will be 1,125 SWs receiving training in the CY and 1,225 SWs receiving training in the BY, which includes 100 new SWs who will require training in the BY. Each SW will require the training only once.
- Assumes a SW unit cost 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.
- The estimated Title XIX reimbursement percentage for Fiscal Year (FY) 2010-11 is held to the Appropriation at 49.13. The estimated Title XIX reimbursement percentage for FY 2011-12, is 50 percent as all recipients are federally eligible.

METHODOLOGY:

- The cost for implementing the risk management process is determined by multiplying the amount of SW time required (15 minutes per initial assessment; 15 minutes per ongoing assessment) by the total number of IHSS IPO 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.

FUNDING:

The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share for the IPO administrative costs are split 70 percent state and 30 percent county.

There is no Residual program.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects the reassessments occurring in the BY and increased costs for SW training.

IHSS Plus Option (IPO) - Administration

EXPENDITURES:

(in 000's)

Totals	2010-11	2011-12
Total	$688	$840
Federal	0	0
State	245	294
County	105	126
Reimbursements	338	420

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Provider Enrollment Statement Form/Process

DESCRIPTION:

This premise reflects the costs associated with revising the Provider Enrollment Statement Form [Social Services Programs (SOC) 426] to bring it into compliance with the requirements of Welfare and Institutions Code (W&IC) section 12305.81 resulting from 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, abuse of a child [Penal Code (PC) 273a], or abuse of an elder or dependent adult (PC section 368).

In accordance with the ruling of the Alameda County Superior Court in the *Beckwith, et al. v. Wagner* court case, which challenged the legality of the offenses originally identified as disqualifiers for provider eligibility, only the three aforementioned offenses could be used to prevent eligibility of a person as an In-Home Supportive Services (IHSS) provider. The new compliant form 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 efforts. 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 PC and Section 368 regarding crimes which cause harm, death, suffering, pain, or injury to children, elders or dependent adults.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 12305.81 resulting from SB 1104 (Chapter 229, Statutes of 2004).
- Assumes an extension of the deadline for providers to complete the provider enrollment process until December 31, 2010, as long as the provider had started the process prior to June 30, 2010.
- Assumes 90,792 new and 47,669 pending IHSS providers will be enrolled during the Current Year (CY).
- Assumes 93,842 new IHSS providers will be enrolled in the Budget Year (BY).
- The social worker (SW) unit cost is $60.55 per hour.

Provider Enrollment Statement Form/Process

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimated Title XIX reimbursement percentage for Fiscal Year (FY) 2010-11 and FY 2011-12, is 49.30 percent, which is based on actual expenditures as reported on the County Expense Claim for the past four quarters.
- 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.
  - Fifteen minutes to resolve issues for recipients when a particular provider is ineligible; this applies to 20 percent of recipients.
  - Five minutes to cross reference applicants with the ineligible provider list, and place providers on the ineligible list; this applies to three percent of providers.

METHODOLOGY:

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:

- The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share for the Personal Care Services Program/IHSS Plus Option administrative costs are 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 increase reflects the inclusion of the pending providers in the CY.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects the completion of pending provider enrollment for all pending providers in the CY.

Provider Enrollment Statement Form/Process

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$3,734	$3,006
Federal	0	0
State	1,325	1,067
County	568	457
Reimbursements	1,841	1,482

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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 which form part of the In-Home Supportive Services (IHSS) Anti-Fraud Initiative. Together with three other administrative cost premises 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) 2010-11 and FY 2011-12, 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.
- The estimated Title XIX reimbursement percentage for the CY and the BY is 49.30 percent based on actual expenditures as reported on county administrative expense claims for the past four quarters.
- The sum of $10 million GF ties to $28.2 million total funds in the CY and the BY.

METHODOLOGY:

The $10 million GF includes corresponding federal and county shares.

FUNDING:

- The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share for the Personal Care Services Program /IHSS Plus Option administrative costs are 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.

IHSS Anti-Fraud Initiative – County DA/Activities

CHANGE FROM THE APPROPRIATION:

The CY increase reflects the updated Title XIX reimbursement rate.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$28,179	$28,179
Federal	0	0
State	10,000	10,000
County	4,286	4,286
Reimbursements	13,893	13,893

IHSS Anti-Fraud Initiative – County Investigations

DESCRIPTION:

This premise reflects the administrative costs associated with county investigation measures which form part of the In-Home Supportive Services (IHSS) Anti-Fraud Initiative. Together with three other administrative cost premises 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 program.

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; and the review, analysis, and actions related to: the review of Criminal Offender Record Information and subsequent arrest notifications 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 authorized 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.
- Assume that each county investigator will receive the social worker (SW) rate of $129,083 per year.
- The estimated Title XIX reimbursement percentage for Fiscal Year (FY) 2010-11 is held to the appropriation at 49.13 percent. The estimated Title XIX reimbursement percentage for FY 2011-12, is 49.30 percent, which is based on actual expenditures as reported on the County Expense Claim for the past four quarters.
- The Current Year and the Budget Year (BY) reflect a full year of cost.

METHODOLOGY:

The estimated cost is computed by multiplying the total number of assumed county investigators by the SW rate.

FUNDING:

The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share for the Personal Care Services Program /IHSS Plus Option administrative costs are split 70 percent state and 30 percent county.

IHSS Anti-Fraud Initiative – County Investigations

FUNDING (CONTINUED):

In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease in General Funds reflects the updated Title XIX reimbursement rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$10,068	$10,068
Federal	0	0
State	3,585	3,573
County	1,536	1,531
Reimbursements	4,947	4,964

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 premises 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 program.

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 Offender Record Information (CORI) and Subsequent Arrest Notifications (SAN), appeals for ineligible providers, modified Notices of Actions (NOAs) to all providers, and timecard fingerprinting. 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) developed 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 or receive payment for ten years following a conviction for, or incarceration following a conviction for: fraud against a government health care or supportive services program, abuse of a child (Penal Code (PC) 273a), or abuse of an elder or dependent adult (PC section 368). The TRO has not eliminated or stopped the provider fingerprinting and criminal background check requirements.

Assembly Bill 19 (Chapter 17, Statutes of 2009) established that providers will be provided with modified NOAs, and timesheets will have to be modified to include spaces for a recipient's and his/her provider's fingerprints. Each provider will receive a modified NOA for each person to whom he/she provides services which specifies the approved duties for each recipient and a complete list of supportive service tasks available under IHSS.

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, 12305.86, 12301.22, and 12301.25.
- Assumes 138,461 current and pending providers will be impacted in the Current Year (CY) by the Provider Orientation and review of CORIs and SANs.
- Assumes 93,842 new providers will be impacted in the Budget Year (BY) for the Provider Orientation and CORIs.
- Assumes an annual cost of $35,000 General Fund (GF) for targeted mailing and an annual cost of $50,000 GF for fraud training for county staff for the CY and the BY.

IHSS Anti-Fraud Initiative – Related Activities

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes the state will hold back $900,000 total funds (TF) in the CY and $450,000 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 CORI 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.
- Assumes 4.1 percent of the total impacted universe of providers will have a SAN with a crime that will require ten 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 unit cost of $60.55 per hour.
- Assumes the modified NOA will cost $950,000 GF in the BY.
- Assumes the timesheet fingerprinting will cost $3.6M TF in the BY for supplies, mailing, and processing costs.
- The estimated Title XIX reimbursement percentage for the CY and the BY is 49.30 percent based on actual expenditures as reported on county administrative expense claims for the past four quarters.

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 CORIs and SANs, provider appeals of terminations, NOAs, and timecard fingerprinting.

FUNDING:

- The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share for the Personal Care Services Program /IHSS Plus Option administrative costs are split 70 percent state and 30 percent county for costs associated with targeted mailings, fraud training for county staff, NOAs, and provider orientations.
- In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.
- Costs for reviewing and processing CORIs, SANs, and provider appeals of terminations are split 50 percent federal and 50 percent state share.

CHANGE FROM THE APPROPRIATION:

The CY decrease reflects moving the modified NOAs to the BY, offset by the Provider Orientation and CORI costs.

IHSS Anti-Fraud Initiative – Related Activities

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects the inclusion of fingerprinting recipients and the modified NOAs in the BY.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$1,907	$7,412
Federal	0	0
State	727	2,664
County	238	1,092
Reimbursements	942	3,656

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IHSS Anti-Fraud Initiative – Fingerprinting Recipients Administration

DESCRIPTION:

This premise reflects the administrative costs associated with manually fingerprinting In-Home Supportive Services (IHSS) recipients as part of the IHSS Anti-Fraud Initiative. Assembly Bill 19 (Chapter 17, Statutes of 2009) developed the protocol for fingerprinting recipients at assessments and reassessments for identification purposes. Together with three other administrative cost premises 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 maintenance and operations vendor contract and change control costs for the Statewide Fingerprinting Imaging System (SFIS), the system in which the fingerprints are stored, are located under a different premise. For additional information on the SFIS system, please see the SFIS premise under Item 141 County Administration and Automation Projects.

IMPLEMENTATION DATE:

This premise will implement on May 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12305.73.
- This premise will be phased in over a three year period; all current recipients will be fingerprinted by the end of Fiscal Year 2012-13.
- There will be 12,000 new recipients fingerprinted in the Current Year (CY). There will be 74,418 new recipients and 220,774 current recipients fingerprinted in the Budget Year (BY).
- The social worker (SW) unit cost is $60.55 per hour.
- The estimated time to fingerprint each recipient is 15 minutes.
- The estimated Title XIX reimbursement percentage for the CY and the BY is 49.30 based on actual expenditures as reported on county administrative expense claims for the past four quarters.

METHODOLOGY:

The CY and the BY estimated costs are computed by multiplying the number of recipients to be fingerprinted by the estimated time for taking fingerprints and hourly cost at the SW rate.

FUNDING:

In the Personal Care Service Program/IHSS Plus Option program the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and the BY. The nonfederal share is split 70 percent General Fund and 30 percent county.

In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

IHSS Anti-Fraud Initiative – Fingerprinting Recipients Administration

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects a full year of costs.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$182	$4,469
Federal	0	0
State	64	1,586
County	28	680
Reimbursements	90	2,203

3.6 Percent Across-the-Board Reduction Administration

DESCRIPTION:

This premise reflects the administrative costs associated with implementing the 3.6 Percent Across-the-Board Reduction for the In-Home Supportive Services (IHSS) program. Assembly Bill 1612 (Chapter 725, Statutes of 2010) provides that a 3.6 percent reduction be applied to all recipients for IHSS services under the Personal Care Services Program (PCSP), IHSS Plus Option (IPO), and Residual programs. The savings resulting from the reduction are included in the 3.6 Percent Across-the-Board Reduction premise.

IMPLEMENTATION DATE:

This premise will implement on February 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12301.06.
- The estimated Title XIX reimbursement percentage for the Current Year (CY) and the Budget Year (BY) is 49.30 percent based on actual expenditures as reported on county administrative expense claims for the past four quarters.
- The social worker (SW) unit cost is $60.55 per hour.
- Assumes that for ten percent of the recipients, ten minutes of SW time will be needed one time to special handle the Notices of Actions (NOAs).
- Assumes that for 25 percent of the recipients, five minutes of SW time will be needed one time to answer questions about the reduction.
- Assumes that two percent of the recipients will request a reassessment as a result of a change in the recipient's current condition, for whom 30 minutes of the SW time will be needed one time to complete a reassessment.
- The projected caseload is 441,549 in the CY and 456,380 in the BY. For the BY, costs tie to the 14,831 new recipients over the CY.

METHODOLOGY:

The estimated cost is computed by multiplying the SW rate by the amount of time needed for special handling the NOAs, answering recipients' questions, and performing reassessments.

3.6 Percent Across-the-Board Reduction Administration

FUNDING:

In the PCSP and IPO programs, the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and the BY. The nonfederal share is split 70 percent General Fund 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:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects the administrative costs for new recipients only.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$1,270	$42
Federal	0	0
State	451	15
County	193	6
Reimbursements	626	21

IHSS Provider Exclusions

DESCRIPTION:

This premise reflects the cost of reviewing and processing requests for exceptions to provider exclusions for providers who have committed a violent or serious felony(ies), as specified in subdivision (c) of section 667.5 of the Penal Code (PC) and subdivision (c) of section 1192.7 of the PC. Assembly Bill 1612 (Chapter 725, Statutes of 2010) established that providers subject to criminal conviction exclusions who are either new applicants or applicants whose applications were denied on the basis of a conviction(s) and for whom an appeal of that denial is pending may request an individual waiver or general exemption.

The county shall notify a recipient who wishes to hire a person who is applying to be a provider and who has been convicted of an offense subject to exclusion under the aforementioned sections of that applicant's relevant criminal offense convictions. The notice shall include both a summary explanation of the exclusions created by the aforementioned sections, as well as the applicable waiver process and form, and general exception process.

The waiver form shall include both a space for the county to include any reference to any PC sections and corresponding offense names and descriptions of the relevant convictions and those included in the provider's background. It shall also include a statement that the service recipient is aware of the provider applicant's conviction(s), agrees to waive application of this section and employ the applicant as a provider of services. An approved individual waiver will allow the provider to serve the recipient associated with the individual waiver. A general exemption will allow the provider to provide services for multiple recipients. The general exemption process is handled through the Community Care Licensing (CCL) Division of the California Department of Social Services (CDSS).

IMPLEMENTATION DATE:

This premise implements February 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code (W&IC) section 12305.87.
- The postage rate is $0.44 per notice.
- The social worker (SW) unit cost is $60.55 per hour.
- There will be 90,792 new providers in the Current Year (CY) and 93,842 in the Budget Year (BY), of which three percent will be excluded due to disqualification under W&IC section 12305.81. Of the remaining new providers, six percent will have an exemptible crime and will request an individual waiver. It will take 60 minutes to prepare and send the notices, and respond to questions for these providers.
- There are 30,000 providers in the CY currently pending approval to be an IHSS provider, of which, 25 percent will have an exemptible crime and will request an individual waiver. It will take 60 minutes to prepare and send the notices, and respond to questions for these providers. The BY assumes no providers will be in pending status.

IHSS Provider Exclusions

KEY DATA/ASSUMPTIONS (CONTINUED):

- There are 360,848 existing providers in the CY and 372,968 in the BY, of whom approximately 2.5 percent will have a Subsequent Arrest Notification with an exemptible crime and will request an individual waiver. It will take 60 minutes to prepare and send the notices, and respond to questions for these providers.

- There are 20,000 new and existing providers in both the CY and the BY, of which four percent will have exemptible crimes and request a general exemption. It will take five minutes for the counties to send the Criminal Offender Request Information to CDSS. The general exemptions will be handled through CCL.

- The estimated Title XIX reimbursement percentage for the CY and the BY is 49.30 based on actual expenditures as reported on county administrative expense claims for the past four quarters.

METHODOLOGY:

The estimated cost of processing individual waivers is computed by multiplying the number of impacted providers by the amount of SW time to respond to the request and mailing cost. The estimated cost of processing general exemptions is computed by multiplying the number of impacted providers by the amount of SW time to respond to the request.

FUNDING:

In the Personal Care Service Program/IHSS Plus Option programs, the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and the BY. The nonfederal share is split 70 percent General Fund 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:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects a full year of costs.

EXPENDITURES:

(in 000's)	2010-11	2011-12
Total	$552	$896
Federal	0	0
State	196	318
County	84	136
Reimbursements	272	442

Foster Care & NACF Administrative Costs – Basic

DESCRIPTION:

This premise reflects the administrative and staff development costs for the Foster Care (FC) and Non-Assistance CalFresh (NACF) 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 2010-11 is being held at the 2010-11 Appropriation level. Base funding for FC Administrative Costs Basic for FY 2011-12 is $37 million.
- The non-Title IV-E Waiver FC caseload is projected to decline 8.8 percent for FY 2010-11 and for an additional decline of 9.3 percent in FY 2011-12.
- The Staff Development costs for FC are $576,782 for FY 2010-11 and FY 2011-12, based on the last four quarters of actual expenditures.
- The AAP costs of $16.7 million for FY 2010-11 and FY 2011-12 are based on the last four quarters of actual expenditures.
- Contract costs for FC are $143,000 for FY 2010-11 and FY 2011-12.
- The NACF Administrative costs in FY 2010-11 are held to the Appropriation.
- The NACF Administrative costs base funding is $1,056.6 million in FY 2011-12.
- The NACF caseload growth projection is 16.62 percent in FY 2011-12.
- Staff development costs for NACF are $11.2 million for FY 2011-12, based on Calendar Year 2009 actual expenditures.

Foster Care & NACF Administrative Costs – Basic

KEY DATA/ASSUMPTIONS (CONTINUED):

- Statewide Automated Welfare System (SAWS) Development and Testing Interface costs for NACF are $230,113 for FY 2011-12, based on updated expenditures.
- Contract costs for NACF are $3.3 million for FY 2011-12.
- The Merced Automated Global Information Control (MAGIC) system administrative costs for NACF and FC are $97,206 and $7,776, respectively for both FY 2010-11 and FY 2011-12.
- Savings from Legacy System data collection and quality control systems for NACF are $3.9 million for FY 2011-12. Savings from Legacy System data collection and quality control systems for FC are $505,000 for FY 2010-11 and FY 2011-12.

METHODOLOGY:

The NACF 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 NACF and FC estimates. AAP administrative expenditures were also added to the FC estimate.

FUNDING:

FC and NACF costs are shared 50 percent federal, 35 percent General Fund (GF), and 15 percent county.

Note: W&IC section 15204.4 requires Maintenance of Effort (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. However, W&IC section 18906.55 provides that in FY 2010-11 and FY 2011-12, counties shall receive the full GF allocation without the requirement to pay county's share above MOE if a county meets MOE requirements entirely through CalFresh Administrative expenditures. Please reference the "County MOE Requirement" premise.

CHANGE FROM THE APPROPRIATION:

FC and CalFresh are held to the Appropriation.

REASON FOR YEAR-TO-YEAR CHANGE:

The FC BY decrease is based on actual expenditures and reflects a projected caseload decline.

The NACF basic increase is associated with projected NACF caseload growth.

Foster Care & NACF Administrative Costs – Basic

EXPENDITURES:

(in 000's)

Foster Care	2010-11 County Admin.	2011-12 County Admin.
Total	$58,971	$53,045
Federal	32,864	29,722
State	20,748	18,899
County	5,359	4,424
Reimbursements	0	0

NACF	2010-11 County Admin.	2011-12 County Admin.
Total	$1,098,057	$1,243,114
Federal	551,074	621,488
State	414,545	448,289
County	132,438	173,337
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 $5.3 million and the Budget Year (BY) savings of $4.4 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:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decreased savings are the result of lower FC caseloads and expenditures.

EXPENDITURES:

(in 000's)	2010-11	2011-12
Total	-$5,276	-$4,448
Federal	-3,011	-2,575
State	-1,593	-1,317
County	-672	-556
Reimbursements	0	0

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Foster Care IV-E Eligibility Training

DESCRIPTION:

This premise reflects $59,000 General Fund (GF) of one-time funds requested by the California Department of Social Services (CDSS) to cover increased training costs due to Title IV-E Program Improvement Plan (PIP) requirements. These PIP requirements are based on California's substantial noncompliance with federal child and provider eligibility requirements as documented in the recent federal Title IV-E Review Report. CDSS must fulfill its obligation to address deficiencies identified in the 2009 Title IV-E Review Report by providing training to child welfare, probation, and court staff as specified in an approved Title IV-E PIP.

Training is essential to ensure improved performance and outcomes in the upcoming secondary Title IV-E Review thereby, reduce the possibility of increased costs to the GF in the form of penalties and interest associated with continuing to fail outcome measures. The additional funding will permit CDSS to hire a consultant to develop training for trainers (T for T) Title IV-E eligibility requirements curricula. This T for T will be provided to county welfare and probation department staff statewide. The consultant will also develop a website with accurate eligibility information regarding Title IV-E requirements. CDSS staff will update and maintain this website in the future as a resource for these workers. In addition, a portion of this funding will be utilized to increase the amount of training and technical assistance provided by the Judicial Review and Technical Assistance Project.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: 45 Code of Federal Regulations (CFR) 1356.71.
- Assumes one-time cost for Fiscal Year (FY) 2010-11 only.
- Assumes this one-time cost will provide training to child welfare, probation, and court staff as well as development of a website to provide accurate eligibility information regarding Title IV-E requirements.
- Assumes $113,000 will be dedicated to training and to web design.
- Assumes a federal discount rate of 70 percent for FY 2010-11.

METHODOLOGY:

CDSS will use $113,000 in one-time costs to cover increased training costs and to cover consultant cost to develop a website.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11, federally-eligible costs are 75 percent federal Title IV-E and the remainder is GF costs with no county share.

Foster Care IV-E Eligibility Training

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise reflects a one-time cost for FY 2010-11 only.

Administrative:

(in 000's)	2010-11	2011-12
Total	$113	$0
Federal	54	0
State	59	0
County	0	0
Reimbursements	0	0

Restructuring the Foster Care Group Home Rate System

DESCRIPTION:

This premise reflects funding for a Group Home rates expert county consultant and intergovernmental transfers (recently retired county child welfare managers) to work along with California Department of Social Services (CDSS) staff. This funding is to be used to conduct an evaluation of the new rate methodology developed as a result of this project.

The CDSS, county placements agencies, advocates, and foster children themselves have long been dissatisfied with the outcomes for foster children placed in congregate group home care. A recent court order in the California Alliance of Child and Family Services (Alliance) lawsuit raised the Group Home rates paid to group homes in California by 32 percent. The court order requires that the current rate system, the Rate Classification Level (RCL) system be adjusted annually hereafter, according to the California Necessities Index.

The RCL system was developed over 20 years ago. It has no direct connection to quality of care or the measurement of improved outcomes for children in care. Changing the rates system to be more responsive to these factors will be supportive of the states current Children and Family Services Review Program Improvement Plan as well as the interests of advocates, children, placement agencies, and the state.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: A recent court order in the California Alliance of Child and Family Services (Alliance) lawsuit.
- Assumes costs will fund a Group Home rates expert and a county consultant.
- CDSS expects to complete the rate study in Fiscal Year (FY) 2012-13.

METHODOLOGY:

In both the Current Year and the Budget Year, $250,000 will fund a Group Home rates expert and a county consultant.

FUNDING:

This premise is shared 50 percent GF and 50 percent federal Title IV-E funding, with no county share.

Restructuring the Foster Care Group Home Rate System

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)	2010-11	2011-12
Total	$250	$250
Federal	125	125
State	125	125
County	0	0
Reimbursements	0	0

County MOE Requirement

DESCRIPTION:

This premise reflects a reduction in the county requirement to match the CalFresh Administrative funds for Fiscal Year (FY) 2010-11 and FY 2011-12. Historically, counties are required to provide a 15 percent share in administrative cost in the CalFresh program even on expenditures above MOE. However, the unprecedented and unanticipated CalFresh caseload growth associated with the economic decline beginning in 2008 has created substantial fiscal pressures on the counties. In order to provide fiscal relief to counties, pursuant to Welfare and Institutions Code (W&IC) section 18906.55, a county that meets the MOE requirement entirely through expenditures for the administration of the CalFresh program in FY 2010-11 and FY 2011-12 shall receive the full General Fund (GF) allocation for administration of the CalFresh program without being required to pay the county's share of the nonfederal costs for the administrative costs above the MOE. In addition, counties are still required to meet the MOE requirements pursuant to W&IC section 15204.4 and failure to meet this required level of spending will result in a proportionate reduction of the funds provided under W&IC section 15204.2.

IMPLEMENTATION DATE:

This premise assumes a July 1, 2010, implementation.

KEY DATA/ASSUMPTIONS:

- Authorizing Statue: W&IC section 18906.55.
- It is assumed that the methodology for determining the CalFresh Administration allocation need remains unchanged.
- This premise allows counties to draw down their CalFresh allocation without having to contribute above the MOE.
- In FY 2010-11, the total adjusted CalFresh administrative need is projected to be $1.2 billion and $143,238,000 represents the county share less the Employment Training Program in the amount of $37,446,000, which is not included in the allocation. In FY 2011-12, the total CalFresh administrative need is projected to be $1.3 billion and $183,841,000 represents the county share less the Employment Training Program in the amount of $35,860,000, which is not included in the allocation.
- Counties that meet the MOE requirement entirely through the CalFresh administrative costs will not be required to contribute CalFresh administrative county share of costs beyond the MOE. The historic statewide county MOE requirement is approximately $140 million.
- It is assumed that the county share of the Statewide Automated Welfare System (SAWS) and Electronic Benefit Transfer (EBT) is countable towards the MOE requirement but not included in the CalFresh Administration. SAWS is estimated to be $10,658,000 in FY 2010-11 and $12,034,000 in FY 2011-12. The EBT expenditures are estimated to be $2,120,000 in FY 2010-11 and $2,247,000 in FY 2011-12.

County MOE Requirement

KEY DATA/ASSUMPTIONS (CONTINUED):

- The remaining County MOE requirement will be $127,222,000 in FY 2010-11 and $125,720,000 in FY 2011-12, and will represent the maximum county share for CalFresh administration in FY 2010-11 and FY 2011-12.
- It is assumed that any estimated county costs above MOE will result in a decrease in drawdown of federal CalFresh funds.
- Based on comparison of the projected county portion of the CalFresh administrative cost and the county MOE requirement, the total loss of federal and county is $16,016,000 in FY 2010-11 and $58,121,000 in FY 2011-12.

METHODOLOGY:

- The projected CalFresh administrative need is based on the historical methodology used.
- Based on the historical projection methodology, the total adjusted county share in the CalFresh administration cost is estimated to be $143,238,000 in FY 2010-11.
- The county MOE requirement is $127,222,000 in FY 2010-11. The amount is calculated by subtracting the county MOE requirement of $140 million by the costs for SAWS and EBT.

  ($140,000,000 - $10,658,000 SAWS - $2,120,000 EBT = $ 127,222,000)
- The total loss of county contributions as a result of counties reaching MOE requirements is $16,016,000 in FY 2010-11. The amount is calculated by subtracting the county share of the CalFresh administrative cost of $143,238,000 by the maximum county contribution for county administration of $127,222,000.

  ($143,238,000 - $127,222,000 = $16,016,000)
- Based on the historical projection methodology, the total adjusted county share in the CalFresh administration cost is estimated to be $183,841,000 in FY 2011-12.
- The county MOE requirement is $125,720,000 in FY 2011-12. The amount is calculated by subtracting the county MOE requirement of $140 million by the costs for SAWS and EBT.

  ($140,000,000 - $12,034,000 SAWS - $2,247,000 EBT = $125,720,000)
- The total loss of county contributions as a result of counties reaching MOE requirements is $58,121,000 in FY 2011-12. The amount is calculated by subtracting the county share of the CalFresh administrative cost of $183,841,000 by the maximum county contribution for county administration of $125,720,000.

  ($183,841,000 - $125,720,000 = $58,121,000)

FUNDING:

This premise assumes 50 percent federal funds and 50 percent county share.

County MOE Requirement

CHANGE FROM THE APPROPRIATION:

The change is due to a decrease in projected CalFresh administrative costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to a projected growth in CalFresh administrative costs.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	-$32,032	-$116,242
Federal	-16,016	-58,121
State	0	0
County	-16,016	-58,121
Reimbursements	0	0

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CalFresh Administrative Reduction

DESCRIPTION:

This premise reflects the reduction in federal reimbursement of California's CalFresh administrative costs based on amounts charged to the former Aid to Families with Dependent Children (AFDC) program that could have been allocated to the CalFresh 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 CalFresh 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 CalFresh program is to be deducted from the CalFresh 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 was $220,685,222.

CalFresh Administrative Reduction

METHODOLOGY:

- California's AFDC total base year administrative expenditure is calculated by subtracting the total federal share of common administrative expenditures by non-AFDC program administrative costs and discrete AFDC costs.

  (280,097,927 – 59,412,705 = $220,685,222)

- California elected to use the optional formula described in the guide to determine the amount of the CalFresh 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, CalFresh, and Medi-Cal).
- California's CalFresh 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 CalFresh 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)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$0	$0
Federal	-58,849	-58,849
State	58,849	58,849
County	0	0
Reimbursements	0	0

CalFresh Employment and Training (E&T)

DESCRIPTION:

This premise reflects the costs for the CalFresh Employment and Training (E&T [formally 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 E&T 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 E&T 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 E&T activities.

Beginning in Fiscal Year (FY) 2008-09, California expanded its E&T program to include a new education and training (E&T) component called E&T 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 E&T participants. In FFY 2009, Cal Success will be operative as pilot projects in San Mateo, Santa Clara, and Santa Cruz counties. Based on the interpretation made by FNS in regards to E&T regulation 7 CFR 273.7 (d) (1) (ii) (C), FNS released Administrative Notice 10-23, instructing that the Cal Success pilot program will be terminated as of June 30, 2010.

IMPLEMENTATION DATE:

This premise implemented on April 1, 1987.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18901.
- There are 23 counties participating in the E&T program.
- The FY 2010-11 funding for this program is based on local assistance costs identified in the approved E&T program State Plans for FFY 2010 and FFY2011.
- The FY 2011-12 funding for this program are based on the local assistance costs identified in the proposed E&T program State Plan for FFY 2011.

CalFresh Employment and Training (E&T)

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.

METHODOLOGY:

The FY 2010-11 funding level represents 75 percent of the total amount of the approved FFY 2010 E&T program State Plan and 25 percent of the total amount of the approved FFY 2011 E&T program State Plan.

FUNDING:

The costs in excess of the 100 percent federal funds are shared 50 percent federal and 50 percent county.[1]

FY 2010-11: (in 000's)	Total	Federal	State	County
100 percent Federal Funds	$6,461	$6,461	$0	$0
Administration Overmatch [1]	$60,710	$30,355	$0	$30,355
Participant Reimbursement	$14,182	$7,091	$0	$7,091
Total	**$81,353**	**$43,907**	**$0**	**$37,446**

FY 2011-12: (in 000's)	Total	Federal	State	County
100 percent Federal Funds	$6,320	$6,320	$0	$0
Administration Overmatch [1]	$61,352	$30,676	$0	$30,676
Participant Reimbursement	$10,370	$5,185	$0	$5,185
Total	**78,042**	**42,181**	**$0**	**$35,861**

[1] Administration Overmatch funds are used once costs exceed the 100 percent federal funds and participant reimbursement funds.

CHANGE FROM THE APPROPRIATION:

FY 2010-11 and FY 2011-12 costs were updated to reflect federally approved funding levels for FFY 2011.

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CalFresh Employment and Training (E&T)

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year change reflects the full funding level for FFY 2011.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$81,353	$78,042
Federal	43,907	42,181
State	0	0
County	37,446	35,861
Reimbursements	0	0

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California Department of Public Health's Network for a Healthy California (Network)

DESCRIPTION:

This premise reflects the amount of federal share that the California Department of Social Services (CDSS) passes through to the California Department of Public Health (CDPH) for The Network for a Healthy California (Network). The Network is a statewide collaboration of public and nonprofit agencies working together to promote healthy eating and physical activity among CalFresh recipients and low-income Californians who are potentially eligible for CalFresh. The CDSS provides administrative oversight and serves as the pass-through for the federal share to CDPH. The CDPH contracts with local partners and passes on the federal funding to agencies such as local health departments, parks and recreation departments, and school districts. This program was formerly referred to as the California Nutrition Network.

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) 2011 of $108,934,482 was used to estimate the funding for the Current Year (CY).
- The Budget Year (BY) assumes continuation of the CY funding level.
- The California CalFresh Outreach Plan and the California Department of Public Health Network for a Healthy California (Network) are now being included as separate premise items. Both premises were formerly included in the California Nutrition Network premise.

METHODOLOGY:

- The CY estimate is based on the approved funding for FFY 2011.
- 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 funding amount for appropriation has decreased as a result of updated contract amounts.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

California Department of Public Health's Network for a Healthy California (Network)

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$108,934	$108,934
Federal	108,934	108,934
State	0	0
County	0	0
Reimbursements	0	0

California CalFresh Outreach Plan

DESCRIPTION:

The California Department of Social Services (CDSS) and the California Department of Public Health Network for a Healthy California (Network) will operate under a multi-year strategic plan to increase CalFresh participation in California. The goal of the CalFresh Outreach Plan (formally known as the California Food Stamp Program Access Improvement Plan) is to increase CalFresh participation in California. This goal is pursued through an interagency agreement with the Network for the purpose of submitting a Supplemental Nutrition Assistance Outreach Plan to the United States Department of Agriculture (USDA). Through the CalFresh Outreach Plan, community based organizations provide local share (in-kind) funding as the basis for accessing matching federal financial participation funding, USDA Supplemental Nutrition Assistance Program (SNAP) Administrative funds, through CDSS via the interagency agreement with the Network.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2004.

This premise was formally included in the California Nutrition Network which implemented on October 1, 1996.

KEY DATA/ASSUMPTIONS:

- The approved funding from Food Nutrition Service (FNS) for Federal Fiscal Year (FFY) 2011 of $9,328,727 was used to estimate the funding for the Current Year (CY).
- The Budget Year (BY) assumes conditional approval of the FFY 2012 amount of $9,924,952.
- The California CalFresh Outreach Plan and the Network are now being included as separate premise items. Both premises were formerly included in the California Nutrition Network premise.

METHODOLOGY:

- The CY estimate is based on the approved funding for FFY 2011.
- The BY estimate is based on the anticipated FFY 2012 funding level.

FUNDING:

The pass-through consists of 100 percent FNS federal funds.

CHANGE FROM THE APPROPRIATION:

The increase is due to updated contract amounts.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to anticipated contract amounts.

California CalFresh Outreach Plan

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$9,329	$9,925
Federal	9,329	9,925
State	0	0
County	0	0
Reimbursements	0	0

University of California at Davis Food Stamp Nutrition Education Program (UC-FSNEP)

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 at Davis for the Food Stamp Nutrition Education Program (UC-FSNEP). The UC-FSNEP provides nutrition education services to CalFresh recipients and low-income Californians who are potentially eligible for CalFresh. Services are provided mainly to schools where at least half of the students receive free or reduced-priced meals and to low-income adults in classroom settings.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1995.

KEY DATA/ASSUMPTIONS:

- The CDSS budget approved by the federal Food and Nutrition Service (FNS) for Federal Fiscal Year (FFY) 2011 of $8,085,378 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 2011.
- 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 change reflects updated contract amounts.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$8,058	$8,058
Federal	8,058	8,058
State	0	0
County	0	0
Reimbursements	0	0

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Face-to-Face Waiver

DESCRIPTION:

This premise streamlines the application process and improves the administrative efficiency of the CalFresh program by waiving the requirement for a face-to-face interview at application for all Non-Assistance CalFresh (NACF) households. 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 NACF households is available upon request. Therefore, California has requested authorization to waive the face-to-face intake interview for all NACF households.

Counties have the option to conduct a telephone or other out-of-office interview in lieu of a face-to-face interview at application for NACF households. This waiver is expected to increase CalFresh participation in households where work is a barrier to applying for benefits.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- In Fiscal Year (FY) 2010-11, the average overall NACF caseload is projected to be 1,182,943.
- The face-to-face interview waiver is estimated to result in additional CalFresh households where the single head of the household and couples are working at least 20 hours per week.
- Based on the Federal Fiscal Year (FFY) 2009 CalFresh Characteristics Survey Data (Q5), there are currently 56,823 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, approximately 167,128 recipients of the working poor population participated in CalFresh.
- It is assumed that removing the face-to-face waiver requirement would result in the working poor participating at a rate more consistent with the rest of the CalFresh population. Based on the USDA *State Food Stamp Participation Rates in 2005* report issued in October 2007, 50 percent of the total eligible CalFresh households in California participated in CalFresh.
- It is assumed that by removing the face-to-face interview requirement, 50 percent of the 217,107 working poor population would be eligible for the face-to-face waiver.
- It is assumed that of the additional cases that would be eligible for the face-to-face waiver, 50 percent would utilize the face-to-face waiver.
- It is assumed that the additional cases that participate in CalFresh as a result of the face-to-face waiver represent 1.33 percent of the overall NACF caseload.

Face-to-Face Waiver

KEY DATA/ASSUMPTIONS (CONTINUED):

- The additional cases will be phased in over the first 12 months for counties that have implemented or intend to implement the waiver, based on a survey of counties. This results in approximately 8,736 new cases being added to the caseload in FY 2010-11 and approximately 6,418 new cases in FY 2011-12.
- Based on an average of the most recent actual costs from the FNS 388A report between July 2009 and June 2010 (FY 2009-10), the working NACF households are estimated to have an average CalFresh benefit amount of $351.35.
- It is assumed that the intake cost for an Eligibility Worker (EW) to process new NACF and the California Food Assistance Program (CFAP) cases is $51 per case.
- It is assumed that the cost for an EW to process NACF and CFAP continuing cases on a quarterly basis is $39.33 per case.
- 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 for an EW to process a mid-quarter report is $28.23.
- Based on historic CFAP and CalFresh caseloads, the CFAP caseload consists of approximately one percent of the CalFresh caseload.
- The impact of any administrative efficiency resulting from this premise is assumed to mitigate the NACF administrative reduction premise.

METHODOLOGY:

- The working poor population that would be eligible for the face-to-face waiver is calculated by taking 50 percent of the working poor population. (167,128 x 50% = 83,564)
- The additional working poor population that would participate in CalFresh is calculated by taking the difference between the working poor that would be eligible for the face-to-face waiver and the households that are working between 20 and 30 hours per week. (83,564 - 56,823 = 26,740)
- The cases that would participate in CalFresh as a result of the face-to-face waiver is calculated by taking 50 percent of the additional working poor population. (26,740 x 50% = 13,370) The 13,370 additional cases represent 1.33 percent of 1,004,938 NACF cases in FFY 2009.
- The cases that would participate in CalFresh as a result of the face-to-face waiver is calculated by taking the caseload in the counties that implemented the waiver and multiplying by 1.33 percent.
- The monthly administrative costs associated with processing the new cases are calculated by multiplying the new monthly cases by $51. After the phase in period, it is estimated that approximately four percent of the caseload will leave monthly and four percent will enter monthly.

Face-to-Face Waiver

METHODOLOGY (CONTINUED):

- 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 CalFresh coupon cost by one percent that CFAP cases represent of the overall CalFresh caseload.

FUNDING:

The CalFresh 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 is due to updated survey information on counties implementing the Face-to-Face waiver.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase is due to the full 12 month implementation of all counties participating and projected caseload growth.

EXPENDITURES:

(in 000's)

101 - CFAP Grants	2010-11	2011-12
Total	$326	$564
Federal	0	0
State	326	564
County	0	0
Reimbursements	0	0

Face-to-Face Waiver

EXPENDITURES (CONTINUED):
(in 000's)

141 - CFAP Administration	2010-11	2011-12
Total	$16	$20
Federal	0	0
State	16	20
County	0	0
Reimbursements	0	0

141 - CalFresh Administration	2010-11	2011-12
Total	$1,582	$2,024
Federal	791	1,012
State	791	1,012
County	0	0
Reimbursements	0	0

NACF Administration Reduction

DESCRIPTION:

The Supplemental Nutritional Assistance Program (SNAP) is the nation's largest nutrition program for low-income households. California's program, CalFresh, 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 CalFresh (NACF) 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 NACF program are to be reduced by $21.0 million in Fiscal Year (FY) 2010-11 and FY 2011-12.
- 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 NACF administration funding is necessary due to the ongoing statewide fiscal challenges.

METHODOLOGY:

This premise reflects a $21.0 million reduction in NACF administration allocations for FY 2010-11 and FY 2011-12.

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.

NACF Administration Reduction

EXPENDITURES:

(in 000's)

	2010-11	2011-12
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 CalFresh 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 as follows:

- 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 CalFresh program (federally referred to as Supplemental Nutritional Assistance Program, or (SNAP) for use over two years. The funds can be spent on any eligible SNAP administration costs. The ARRA provides California approximately $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 $10.9 million is available in FFY 2010. There are no funds available in FFY 2011 due to ARRA ending.
- In 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, which include support for the California Recovery Task Force charged with oversight and tracking of ARRA funds to the state.
- The funds are used to assist counties in achieving administrative simplicity while mitigating some of the challenges that resulted from increased caseloads and shrinking resources. Please refer to the CalFresh Simplification Automation Project (ARRA Funds) and ARRA NACF Admin Savings premises for additional detail.
- There are no funds in the Budget Year (BY) due to the expiration of ARRA.

FUNDING:

The funding for this premise is 100 percent federal funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

American Recovery and Reinvestment Act of 2009 Non-Assistance CalFresh Administration

REASON FOR YEAR-TO-YEAR CHANGE:

The Current Year reflects the projected amount to be received for FFY 2010. There are no funds in the BY due to the expiration of ARRA.

EXPENDITURES:

(in 000's)	2010-11	2011-12
	County Admin.	County Admin.
Total	$10,341	$0
Federal	10,341	0
State	0	0
County	0	0
Reimbursements	0	0

American Recovery and Reinvestment Act (ARRA) of 2009 Non-Assistance CalFresh Administration - Savings

DESCRIPTION:

This premise reflects the savings associated with backfilling Non-Assistance CalFresh (NACF) 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 CalFresh Program (federally referred to as Supplemental Nutritional Assistance Program, or SNAP) for use over two years. The funds can be spent on any eligible SNAP administration costs. The ARRA provides California approximately $10.9 million in FFY 2010. Please refer to the ARRA NACF Administration premise for more detail.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- The Fiscal Year (FY) 2010-11 CalFresh administration funds have been replaced with the FFY 2009 ARRA funds received in FFY 2010.
- The General Fund (GF) freed up as a result of the ARRA funds will be used to fund automation projects intended to generate efficiencies in the CalFresh Program.

FUNDING:

The sharing ratio for the administrative savings is 50 percent federal funds, 35 percent GF, and 15 percent county funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There are no funds in the Budget Year due to the expiration of ARRA.

American Recovery and Reinvestment Act (ARRA) of 2009 Non-Assistance CalFresh Administration - Savings

EXPENDITURES:

(in 000's)	2010-11	2011-12
	County Admin.	County Admin.
Total	-$10,341	$0
Federal	-5,171	0
State	-3,619	0
County	-1,551	0
Reimbursements	0	0

Department of Defense (DOD) – Non-Assistance CalFresh (NACF) Administration

DESCRIPTION:

The DOD Appropriations Act of 2010 provides $29.9 million to California for use toward costs associated with administering the Supplemental Nutrition Assistance Program (SNAP). These funds do not require a state match and must be used to supplement, not supplant, current state funds for SNAP. This premise reflects the California Department of Social Services' (CDSS) intent to use the funds in Federal Fiscal Year (FFY) 2011. Any funds that remain unobligated after September 30, 2011, will be recovered and reallocated.

IMPLEMENTATION DATE:

This premise assumes a July 1, 2010 implementation.

KEY DATA/ASSUMPTIONS:

- Authorizing statue: The DOD Appropriations Act of 2010, section 1002 of Pub.L.111-118.
- Approximately $29.9 million will be available to California and will be used to offset NACF administrative costs.

FUNDING:

This premise is 100 percent federal funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Current Year reflects the projected amount to be received for use in FFY 2011. The Budget Year change is due to the expiration of the DOD funds.

Department of Defense (DOD) – Non Assistance CalFresh (NACF) Administration

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$29,952	$0
Federal	29,952	0
State	0	0
County	0	0
Reimbursements	0	0

Department of Defense (DOD) – Non-Assistance CalFresh (NACF) Administration-Savings

DESCRIPTION:

This premise reflects the saving resulting from the use of federal DOD funds. The DOD Appropriations Act of 2010 provides $29.9 million to California for use toward costs associated with administering the Supplemental Nutrition Assistance Program (SNAP). These funds do not require a state match and must be used to supplement, not supplant, current state funds for SNAP. The California Department of Social Services (CDSS) intends to use funds in the Federal Fiscal Year (FFY) 2011. Any funds that remain unobligated after September 30, 2011, will be recovered and reallocated.

IMPLEMENTATION DATE:

This premise assumes a July 1, 2010 implementation.

KEY DATA/ASSUMPTIONS:

- Authorizing statue: The DOD Appropriations Act of 2010, section 1002 of Pub.L.111-118.
- In Fiscal Year (FY) 2010-11, CalFresh administration funds have been replaced with the $29.9 million of DOD funds that California will receive in FFY 2010.
- As a result of using the DOD funds for CalFresh administrative costs, federal, state and county funds will be saved.

FUNDING:

The CalFresh sharing ratio for the administrative costs is 50 percent federal funds, 35 percent General Fund, and 15 percent county funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Current Year reflects the amount of projected savings as a result of receiving the DOD for use in FFY 2011.There is no amount in the Budget Year due to the expiration of the DOD funds.

Department of Defense (DOD) – Non Assistance CalFresh(NACF) Administration – Savings

EXPENDITURES:
(in 000's)

	2010-11	2011-12
Total	-$29,952	$0
Federal	-14,976	0
State	-10,483	0
County	-4,493	0
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) holds back from to the Department of Health Care Services (DHCS). CDSS passes Food Stamp Nutrition Education (FSNE) reimbursement funds to DHCS through the California Nutrition Network and the UC CalFresh Nutrition Education Plan premises. Consistent with the implementation of Assembly Bill (AB) 433, this premise holds back a portion of the pass-through funds to finance the Expansion and Extension of Modified Categorical Eligibility for CalFresh pursuant to AB 433.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

It is assumed that FSNE reimbursement funds will be directed toward financing the Expanded Modified Categorical Eligibility for CalFresh and the Extension of Modified Categorical Eligibility premises.

It is assumed that there will not be FSNE funds available in the Budget Year (BY).

METHODOLOGY:

The total transfer of reimbursement funds for Fiscal Year (FY) 2010-11 is $10 million. This represents $8 million for the General Fund portion of county administrative costs and approximately $2 million for California Food Assistance Program (CFAP) coupon and administrative costs. Please see the Expanded Modified Categorical Eligibility CalFresh Program premise for a description of how these costs were calculated.

FUNDING:

The pass-through consists of 100 percent Food and Nutrition Service federal reimbursement funds.

CHANGE FROM THE APPROPRIATION:

The decrease is associated with delaying the implementation date for expanding modified categorical eligibility to individuals from June 1, 2010 to February 1, 2011.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to the assumption that FSNE funds are not available for this premise.

Food Stamp Nutrition Education Plan Shift to the California Department of Social Services

EXPENDITURES:

(in 000's)	2010-11	2011-12
	CFAP Coupons	CFAP Coupons.
Total	$0	$0
Federal	0	0
State	-1,918	0
County	0	0
Reimbursements	1,918	0

	2010-11	2011-12
	County Admin.	County Admin.
Total	$0	$0
Federal	0	0
State	-7,979	0
County	0	0
Reimbursements	7,979	0

	2010-11	2011-12
	CFAP Admin.	CFAP Admin.
Total	$0	$0
Federal	0	0
State	-109	0
County	0	0
Reimbursements	109	0

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 states to assist refugees who resettle in the U.S.
- Welfare and Institutions Code sections 13275 through 13282 authorize the California Department of Social Services (CDSS) to administer the funds provided under Title 8 of the U.S.C. It also provides CDSS authority to allocate the federal funds to the counties.
- Based on data from July 2009 to March 2010, the average administrative monthly cost per RCA case is approximately $74.87.
- The average monthly caseload is estimated at 3,068 cases for Fiscal Year (FY) 2010-11 and 3,208 cases for FY 2011-12.

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 decrease in projected monthly caseload is offset by an increased cost per case.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to projected caseload growth.

Refugee Cash Assistance – Administration

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$2,757	$2,882
Federal	2,757	2,882
State	0	0
County	0	0
Reimbursements	0	0

CalWORKs Reforms Automation
Governor's Special Session

DESCRIPTION:

This premise reflects the automation reprogramming costs associated with the Governor's Special Session California Work Opportunity and Responsibility to Kids (CalWORKs) Reforms 48-Month Time Limit.

IMPLEMENTATION DATE:

This premise assumes a March 1, 2011 enactment, with a June 1, 2011 implementation.

KEY DATA/ASSUMPTIONS:

- It is assumed that the special session proposals will be enacted March 1, 2011, and that automation changes will need to be made in FY 2010-11 and be completed in FY 2011-12.
- Based on prior CalWORKs Reform automation estimates, the total cost for automation is estimated to be $2,461,000 for CalWORKs Information Network (CalWIN), Statewide Automated Welfare System Consortia-IV (C-IV), and Welfare Data Tracking Implementation Program (WDTIP) changes.
- It is assumed that 75 percent of programming changes will be made in the Current Year (CY) and the remaining 25 percent will be completed in the Budget Year (BY).

FUNDING:

The automation changes associated with the Governor's Special Session CalWORKs Reforms are funded with 100 percent federal Temporary Assistance for Needy Families funds.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The majority of programming changes will be made in the CY.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$1,846	$615
Federal	1,846	615
State	0	0
County	0	0
Reimbursements	0	0

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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 amount of projected funds needed to complete the new system is $284,000 in FY 2010-11 and $1,362,000 in FY 2011-12
- The funded project activities include Project Manager costs, Independent Validation and Verification (IV&V)/Independent Project Oversight Consulting (IPOC) costs, and system maintenance.
- The new system will benefit most of the programs administered by the California Department of Social Services (CDSS) and a subset of the Medi-Cal Program costs that are claimed through the county administrative expense claim.

FUNDING:

CECRIS is funded by multiple sources. Federal funds include the normal shares of CalFresh, 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/Maintenance of Effort (MOE) Expenditures in CDSS” section in the TANF section of each detail table.

County Expense Claim Reporting Information Systems (CECRIS)

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change from Current Year to Budget Year is associated with updated costs to CECRIS.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$284	$1,362
Federal	147	705
State	123	590
County	0	0
Reimbursements	14	67

CalFresh Automation Simplification Project

DESCRIPTION:

This premise reflects the automation costs associated with implementation of CalFresh simplification efforts. These projects will be funded with federal American Recovery and Reinvestment Act of 2009 (ARRA) funds and General Fund (GF) savings associated with using ARRA to replace Non-Assistance CalFresh (NACF) administrative costs. Please refer to the ARRA of 2009 NACF premise for more detail about the fund source.

The following projects are intended to enhance county workload and serve clients in more efficiently:

- Online applications, including C4Yourself online expansion, will enhance existing on-line applications for CalFresh, 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 CalFresh, CalWORKs, and Medi-Cal will provide important information to applicants and recipients and would eliminate 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 approximately $1.8 million in FY 2010-11.
- Based on information received from the Consortia, it is estimated that the automation cost for IVR System is $1.6 million in FY 2010-11.
- Based on information received from the Consortia, it is estimated that the automation cost for document imaging is $1.6 million in FY 2010-11.
- Based on information received from the Consortia, it is estimated that the automation cost for self service/assisted service interface is $2.1 million in FY 2010-11.
- Based on information received from the Consortia, it is estimated that the automation cost for C4Yourself is $512,000 in FY 2010-11.
- These projects will be funded with federal ARRA funds and GF savings associated with using ARRA to replace NACF administrative costs.

CalFresh Automation Simplification Project

KEY DATA/ASSUMPTIONS (CONTIUED):

- In FY 2010-11, approximately $0.9 million of the automation costs are associated with CalWORKS, Kinship Guardianship Assistance Payment (Kin-GAP) and California Food Assistance Program (CFAP) and are counted towards Maintenance of Effort (MOE) in the Temporary Assistance for Needy Families (TANF) program.
- Automation will be completed in FY 2010-11 and there will be no costs in FY 2011-12.

METHODOLOGY:

Total costs budgeted for automation efficiencies are estimated to be $7.6 million in the Current Year (CY) and there are no costs in the BY due to completion of automation in the CY.

FUNDING:

Funding for C4YOURSELF is 100 percent federal Food Stamp ARRA in the CY. Funding in the CY will be 47.6 percent GF, 29 percent Title XIX, 17.2 percent Food and Nutrition Services (FNS), and 6.2 percent county share.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to the completion of automation in the CY.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$7,606	$0
Federal	1,310	0
State	3,619	0
County	474	0
Reimbursements	2,203	0

EBT Farmers Markets (AB 537)

DESCRIPTION:

This premise reflects the costs to provide an Electronic Benefit Transfer (EBT) vending system at flea markets, farmers' markets, or certified farmers' markets for authorized food purchases as a result of the passage of Assembly Bill (AB) 537. The intent of AB 537 is to promote the purchase of healthy fruits and vegetables through the usage of EBT at farmers markets. The statute allows a collected group or association of produce sellers, if authorized by the federal Food and Nutrition Service (FNS), to initiate and operate on behalf of its members an EBT vending system. The statute does not require coordination, monitoring, or oversight by the California Department of Social Services (CDSS). However, CDSS must provide the necessary EBT devices through the state-contracted EBT vendor.

IMPLEMENTATION DATE:

This premise assumes a July 1, 2011 implementation.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: Welfare and Institutions Code section 10072.1.
- Based on information provided by Office of Systems Integration (OSI), 70 of the 800 markets in California currently have wireless point-of-sale devices in use. Although it is not required, it is assumed that the remaining 730 markets will utilize the EBT.
- Based on historical vendor rates, the initial cost to provide the additional EBT vending systems to farmers markets is approximately $1,200 per device.
- Based on historical vendor rates, the cost for wireless fees, service fees, and transaction fees per device is approximately $80 per month.
- Assumes that market owners will be responsible for paying for script tokens or vouchers to redeem CalFresh benefits.

METHODOLOGY:

- There are an additional 730 markets that will potentially utilize the EBT. The initial cost to provide EBT vending systems to farmers markets is $1,200 per device, resulting in a one-time cost for the additional point-of-sale devices of approximately $876,000 in Fiscal Year (FY) 2011-12. (730 markets x $1,200 per device)
- The annual cost for wireless fees, service fees, and transaction fees is approximately $700,800 in FY 2011-12. (730 markets x $80 per month x 12 months)
- Provision of the EBT vending systems to the additional 730 markets in FY 2011-12 will result in a total increase of approximately $1,576,800.

EBT Farmers Markets (AB 537)

FUNDING:

This program is funded 50 percent General Fund and 50 percent federal funds.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to the implementation of this premise in FY 2011-12.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$0	$1,577
Federal	0	789
State	0	788
County	0	0
Reimbursements	0	0

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 CalFresh Program, 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/Maintenance of Effort Expenditures in CDSS” in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The Fiscal Year (FY) 2010-11 costs have been adjusted for Retirement and Employee Compensation.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have been adjusted for Pro Rata, Retirement and Employee Compensation.

Statewide Automated Welfare System (SAWS)
Statewide Project Management (SPM)

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$6,508	$6,720
Federal	$1,931	$1,994
State	$2,850	$2,943
County	$0	$0
Reimbursements	$1,727	$1,783

CDSS/OSI PARTNERSHIP:

(in 000's)

	2010-11	2011-12
Total	$6,508	$6,720
CDSS	$0	$0
OSI	$6,508	$6,720

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).
- A Post Implementation Evaluation Report was approved in August 2008.

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) funds. 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/Maintenance of Effort Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The Fiscal Year (FY) 2010-11 costs have been adjusted for Retirement and Employee Compensation.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have been adjusted for Pro Rata, Retirement and Employee Compensation.

Welfare Data Tracking Implementation Project (WDTIP)

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$3,813	$3,891
Federal	3,813	3,891
State	0	0
County	0	0
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2010-11	2011-12
Total	$3,813	$3,891
CDSS	2,824	2,824
OSI	989	1,067

Interim Statewide Automated Welfare System (ISAWS)

DESCRIPTION:

This premise reflects the costs for the Interim Statewide Automated Welfare System (ISAWS) Consortium, which was 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). The Consortium was comprised of 35 counties which successfully migrated to the C-IV system effective June 30, 2010. The only remaining project activities are related to project closeout.

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 the CalFresh Program, Title IV-E, and Refugee Resettlement Programs funding. 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 CalFresh 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/Maintenance of Effort Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The Fiscal Year (FY) 2010-11 costs have been adjusted for Retirement and Employee Compensation, and have decreased due to the closeout of the project.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have been eliminated due to project completion.

Interim Statewide Automated Welfare System (ISAWS)

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$6,260	$0
Federal	$1,958	$0
State	$2,482	$0
County	$0	$0
Reimbursements	$1,820	$0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2010-11	2011-12
Total	$6,260	$0
CDSS	$779	$0
OSI	$5,481	$0

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 was 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 has migrated the 35 ISAWS Consortium counties to Consortium IV, effective June 30, 2010. Initial Maintenance and Operations (M&O) activities are scheduled to conclude on October 31, 2011, at which time the ISAWS Migration budget will be combined within the C-IV budget.

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.
- Implementation activities concluded in June 2010.
- Initial M&O activities are scheduled to conclude on October 31, 2011.

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 CalFresh, 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/Maintenance of Effort Expenditures in CDSS” section in the TANF section of each Detail Table.

Interim Statewide Automated Welfare System (ISAWS) Consortium Migration Project

CHANGE FROM THE APPROPRIATION:

The Fiscal Year (FY) 2010-11 allocation of costs to benefiting programs has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have decreased due to only four months of M&O costs being required. Effective November 1, 2011, the ISAWS Migration budget will be combined within the C-IV project budget.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$30,774	$8,989
Federal	9,503	2,776
State	12,875	3,628
County	1,070	445
Reimbursements	7,326	2,140

CDSS/OSI PARTNERSHIP:

(in 000's)

	2010-11	2011-12
Total	$30,774	$8,989
CDSS	30,774	8,989
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 CalFresh 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 CalFresh 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/Maintenance of Effort 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)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$13,163	$13,163
Federal	7,859	7,859
State	3,132	3,132
County	2,172	2,172
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2010-11	2011-12
Total	$13,163	$13,163
CDSS	13,163	13,163
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.
- Contract negotiations were concluded in May 2010.
- The budget for the LRS project is based on negotiated costs.
- Development and implementation is scheduled to start on January 1, 2011.

METHODOLOGY:

Costs are calculated based on the timeframes outlined in the September 2010 SAWS LEADER Replacement System Implementation Advance Planning Document Update.

FUNDING:

LEADER funding comes from various sources. Federal funds include the normal shares of CalFresh 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 CalFresh, 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:

The Fiscal Year (FY) 2010-11 costs have decreased due to final negotiated costs of the prime vendor contract, which are less than originally estimated.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have increased due to a full year of design, development, and implementation activities.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$38,499	$75,502
Federal	11,286	24,541
State	14,345	26,989
County	2,786	5,497
Reimbursements	10,082	18,475

CDSS/OSI PARTNERSHIP:

(in 000's)

	2010-11	2011-12
Total	$38,499	$75,502
CDSS	38,499	75,502
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 (M&O) costs.
- A Post Implementation Evaluation Report was approved in August 2008.

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 CalFresh 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 CalFresh, 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/Maintenance of Effort Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The Fiscal Year (FY) 2010-11 costs have increased due to caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have increased due to a technical adjustment, caseload increases, and procurement efforts for a new M&O contract.

Welfare Client Data System (WCDS)-CalWORKs Information Network (CalWIN)

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$78,436	$79,509
Federal	22,734	23,045
State	30,402	30,817
County	4,821	4,887
Reimbursements	20,479	20,760

CDSS/OSI PARTNERSHIP:

(in 000's)

	2010-11	2011-12
Total	$78,436	$79,509
CDSS	78,436	79,509
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 originally served four counties, but now serves 39 counties after a successful migration of the 35 former Interim Statewide Automated Welfare System (ISAWS) Consortium counties to C-IV, which was completed in June 2010.

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.
- A Post Implementation Evaluation Report was approved in August 2008.

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 CalFresh 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 CalFresh 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/Maintenance of Effort Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The Fiscal Year (FY) 2010-11 allocation of costs to benefiting programs has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have increased due to the combination of the budget of the 35 ISAWS counties within the C-IV project budget. This is due to the closing of the ISAWS Migration project, effective October 31, 2011.

Consortium IV (C-IV)

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$46,133	$65,784
Federal	15,896	22,019
State	16,991	24,922
County	2,647	3,554
Reimbursements	10,599	15,289

CDSS/OSI PARTNERSHIP:

(in 000's)

	2010-11	2011-12
Total	$46,133	$65,784
CDSS	46,133	65,784
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 CalFresh, 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; 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 CalFresh 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 for CalFresh and CalWORKs has been secured beginning in September 2009. Federal Reimbursement of the IHSS program is pending the federal Centers for Medicare and Medicaid Services approval of the SFIS/IHSS Implementation Advance Planning Document.

CHANGE FROM THE APPROPRIATION:

The Fiscal Year (FY) 2010-11 costs have been adjusted for Retirement and Employee Compensation.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have been adjusted for Pro Rata, Retirement and Employee Compensation.

EXPENDITURES:

(in 000's)	2010-11	2011-12
	County Admin.	County Admin.
Total	$17,586	$17,673
Federal	7,423	7,477
State	7,012	7,042
County	375	379
Reimbursements	2,776	2,775

CDSS/OSI PARTNERSHIP:

(in 000's)

	2010-11	2011-12
Total	$17,586	$17,673
CDSS	4,093	4,093
OSI	13,493	13,580

Electronic Benefit Transfer (EBT) Project

DESCRIPTION:

This premise reflects the cost for the Electronic Benefit Transfer (EBT) project. The EBT system is the automated delivery, redemption, and reconciliation of the CalFresh Program (formerly known as the Food Stamp Program and federally known as the Supplemental Nutrition Assistance Program [SNAP]), and cash program benefits. EBT provides recipients of public assistance with electronic access to food and cash aid benefits through the use of magnetic-stripe cards at point-of-sale terminals and automated teller machines. The EBT system replaced the paper-based food coupons and cash benefit issuance methods for the distribution of the California Department of Social Services program benefits.

In the fall of Fiscal Year (FY) 2009-10, the Office of Systems Integration successfully transitioned EBT services from the state's previous EBT service provider, J. P. Morgan Electronic Financial Services, Inc., to services provided by ACS State & Local Solutions, Inc. (ACS). At that time, the EBT Project entered into a new maintenance and operations phase.

IMPLEMENTATION DATE:

This premise implemented in FY 1997-98.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 10069.

METHODOLOGY:

The costs are based on the November 2007 EBT Implementation Advance Planning Document and Amendment #1 of the ACS contract, which was executed on May 19, 2010. Due to a significant increase in the caseload for food and cash assistance benefits, the contract was amended to reflect increased costs associated with caseload growth.

FUNDING:

EBT funding comes from SNAP and Temporary Assistance for Needy Families (TANF) programs. Federal funds and General Fund are provided for the CalFresh Program. 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/Maintenance of Effort (MOE) Expenditures in CDSS" section in the TANF part of each Detail Table.

CHANGE FROM THE APPROPRIATION:

The FY 2010-11 costs have been decreased due to adjusted Pro Rata, Retirement and Employee Compensation.

Electronic Benefit Transfer (EBT) Project

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have increased due to increased EBT service provider costs resulting from an increase in caseload. Costs have been adjusted for Pro Rata, Retirement and Employee Compensation. The allocation of costs to benefiting programs has been updated.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$26,830	$28,019
Federal	16,060	16,765
State	7,473	7,766
County	3,297	3,488
Reimbursements	0	0

CDSS/OSI PARTNERSHIP:

(in 000's)

	2010-11	2011-12
Total	$26,830	$28,019
CDSS	0	0
OSI	26,830	28,019

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 2010.
- 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 2010-11

- The Current Year (CY) estimate is being held to the Budget Act of 2010 Appropriation.

FY 2011-12

- 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 2009-10 actual expenditures and statewide average caseload growth from FY 2008-09 to FY 2009-10. Total direct costs, excluding county-operated emergency shelter care (ESC), are $76.9 million for the 56 counties. The projected county-operated ESC costs are $39.2 million for those counties with county-operated emergency shelters based on actual expenditures from FY 2009-10.

Child Welfare Services – Basic Costs

METHODOLOGY (CONTINUED):

- Once the total CWS basic costs are derived, costs for the Emergency Assistance (EA) Temporary Assistance for Needy Families (TANF) program are subtracted and are displayed separately under the EA TANF premise. The EA program costs are determined based on the FY 2010-11 funding level and any caseload growth.
- Case Management costs previously funded under the EA program were shifted to CWS Basic.
- In order to reflect an appropriate level of federal spending authority, additional Title IV-E and Title XIX funds are added to the estimate.
- An additional $2.2 million General Fund (GF) is shifted to this premise from 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 2011-12

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 $32.9 million. These funds have a 75 percent federal match rate.

The Title IV-E amount reflects the actual expenditures from FY 2009-10 that 35.6 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 $54.6 million.

The Title XIX amount for FY 2011-12 is calculated using individual county usage rates based on FY 2009-10 expenditure data which reflect that 7.9 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 $48.8 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 2011-12, the Title XX eligible amount is $40.9 million.

CHANGE FROM THE APPROPRIATION:

There is no change.

Child Welfare Services – Basic Costs

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due mainly to decreases in direct costs and emergency shelter costs, offset partially by an increase in Title XX eligible funds. In addition, additional federal spending authority has also been decreased based on updated actual expenditures.

CASELOAD:

(Average Monthly for non-Title IV-E counties)

	2010-11	2011-12
Emergency Response	27,139	26,018
Emergency Response Assessment	12,494	12,723
Family Maintenance	12,946	11,745
Family Reunification	13,356	12,777
Permanent Placement	24,521	22,788

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total Basic	County Admin.	County Admin.
Total	$845,923	$820,829
Federal	327,831	312,255
State	282,583	275,300
County	111,837	108,714
Reimbursements	123,672	124,560

Child Welfare Services – Basic Costs

EXPENDITURES (CONTINUED):

(in 000's)

Reconciliation of Federal Funds:

	2010-11	2011-12
Title IV-B	$32,523	$32,880
Title IV-E	258,491	244,061
Title XIX	123,672	124,560
Title XX	36,817	35,314
Total Federal Funding	$451,503	$436,815

Specialized Care:

	2010-11	2011-12
Total	$3,865	$3,475
Federal	0	0
State	3,865	3,475
County	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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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. Public Law (P.L.) 109-171 was signed February 8, 2006 (but effective October 1, 2005) and 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 P.L. 109-171, 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:

P.L. 109-171 effective date was October 1, 2005.

KEY DATA/ASSUMPTIONS:

- P.L. 109-171 was 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 decreased.

Federal Budget Bill – Loss of Federal Financial Participation (FFP)

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$0	$0
Federal	-227	-223
State	159	156
County	68	67
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 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 $17.2 million 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 $36.7 million 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 $17.2 million.

FUNDING:

- After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 69 percent for FY 2011-12, 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 2010-11, the Title XX-eligible amount is $5.4 million. For FY 2011-12, the Title XX-eligible amount is $5.6 million.

Augmentation to Child Welfare Services

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The foster care federal discount rate has decreased and the amount of Title XX-eligible costs has increased.

EXPENDITURES:

(in 000's)

Augmentation Funds:

	2010-11	2011-12
	County Admin.	County Admin.
Total	$56,501	$56,070
Federal	25,179	24,911
State	31,322	31,159
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 are 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 a decrease in actual expenditures.

Child Welfare Services/Case Management System – System Support Staff

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$18,035	$17,925
Federal	8,899	8,847
State	5,502	5,412
County	2,694	2,679
Reimbursements	940	987

* It should be noted that this program will be realigned in FY 2011-12.

Child Welfare Services – Emergency Assistance Program (TANF)*

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 provide 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 EA. 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.

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 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 federal Administration for Children and Families (ACF) that EA case management costs are not Title IV-E eligible, and therefore are shifted to GF. Beginning Fiscal Year 2010-11, EA Case Management is being eliminated and associated costs are being shifted into CWS Basic.

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.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 15204.25.
- There is no caseload growth projected for FY 2011-12.
- The estimate reflects costs for all 58 counties.

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.

Child Welfare Services – Emergency Assistance Program (TANF)

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.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$209,563	$209,563
Federal	173,500	173,500
State	0	0
County	36,063	36,063
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: federal Social Security Act, ICWA, and W&IC sections 10553.1 and 10553.2.
- The Karuk Tribe of California has a signed Agreement with the state for the provision of child welfare services. Assistance payments and administrative costs began July 1, 2010. The Yurok Tribe of California is expected to sign an Agreement with the state for the provision of child welfare services beginning in April 2011.
- The average monthly statewide Foster Family Home (FFH) federal grant is $714.92 for Fiscal Year (FY) 2010-11 and FY 2011-12. The Group Home (GH) federal grant is $6,868.26 for FY 2010-11 and $6,992.57 for FY 2011-12. The GH federal grant includes a 32 percent rate increase and a California Necessities Index adjustment of 1.57 percent for FY 2010-11 and 2.29 percent for FY 2011-12. The Adoption Assistance Program (AAP) federal grant is $813.42 for FY 2010-11 and $823.02 FY 2011-12. The grants are based on statewide actual expenditures through June 2010.
- Based on information from the Karuk Tribe, the average monthly FFH caseload is projected at five cases, the average monthly GH caseload is projected at zero 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 cases, the average monthly GH caseload is projected at zero case, and the average monthly AAP caseload is projected at zero case.
- 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 information from the Karuk Tribe, the annual cost of a social worker is estimated at $70,000. Based on information from the Yurok Tribe, the annual cost of a social worker is estimated at $50,000.
- Based on cost and caseload information from the Karuk and Yurok Tribes, the administration of Child Welfare Services (CWS) will require a total of $105,000 General Fund (GF) for FY 2010-11 and $87,000 GF for FY 2011-12.

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 a total of $47,000 GF for FY 2010-11 and $345,000 for FY 2011-12.

- Based on cost and caseload information from the Karuk and Yurok Tribes, the administration of the FC and AAP program will require a total of $34,000 GF for FY 2010-11 and $60,000 GF for FY 2011-12.

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 FC and CWS costs have been reduced to reflect the change in implementation dates from July 2010 to April 2011 for the Yurok Tribe. There is no change for the AAP and Adoptions programs.

REASON FOR YEAR-TO-YEAR CHANGE:

For FC grants and admin, the Budget Year (BY) reflects a full year of costs for both tribes.

For AAP there is no change.

For CWS, one-time cost for the purchase of Live Scan machines are not included in the BY, and this is offset by a full year of cost for both tribes.

For Adoptions, the BY increase reflects an increased caseload.

EXPENDITURES:

(in 000's)

ITEM 101 – Foster Care Grants	2010-11 Grant	2011-12 Grant
Total	$69	$146
Federal	34	73
State	14	29
County	21	44
Reimbursements	0	0

Tribal-State Title IV-E Agreements

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 101 – Adoption Assistance Program Grants	2010-11 Grant	2011-12 Grant
Total	$10	$10
Federal	5	5
State	4	4
County	1	1
Reimbursements	0	0

ITEM 141 – Foster Care Admin.	2010-11 County Admin.	2011-12 County Admin.
Total	$96	$171
Federal	48	85
State	34	60
County	14	26
Reimbursements	0	0

ITEM 151 – CWS Admin.	2010-11 County Admin.	2011-12 County Admin.
Total	$237	$219
Federal	110	97
State	105	87
County	22	35
Reimbursements	0	0

Tribal-State Title IV-E Agreements

EXPENDITURES (CONTINUED):

(in 000's)

ITEM 151 – Adoptions	2010-11	2011-12
Total	$82	$593
Federal	35	248
State	47	345
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

*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:

Costs are projected based on actual expenditures from the prior Calendar Year.

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 an increase in actual expenditures.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$1,280	$1,915
Federal	0	0
State	896	1,341
County	384	574
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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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.
- This estimate reflects costs for only the 15 non-Title IV-E Waiver counties.
- The GF share of $21,493,000 reflects up to 70 percent of the highest annual amount expended for family preservation services by 15 counties (Contra Costa, Humboldt, Los Angeles, Mendocino, Napa, Placer, Riverside, Sacramento, San Diego, San Luis Obispo, Santa Clara, Santa Cruz, Solano, Stanislaus, and Sutter).
- Los Angeles county is not a waiver county under this premise.
- This premise provides the 25 percent match for Promoting Safe and Stable Families.
- For FY 2010-11, $277,778 GF is used as match for the Federal Grant to Reduce Long-Term Foster Care premise in order to secure $2.5 million in federal funds.
- For FY 2011-12, $333,333 GF is used as match for the Federal Grant to Reduce Long-Term Foster Care premise in order to secure $3 million in federal funds.

METHODOLOGY:

The estimate reflects the amount of funds that counties permanently transferred.

FUNDING:

The federal Title IV-E, 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)

	2010-11 County Admin.	2011-12 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

* It should be noted that this program will be realigned in FY 2011-12.

Federal Grant to Reduce Long-Term Foster Care*

DESCRIPTION:

This premise reflects a new five year grant from the federal Administration for Children and Families for the California Department of Social Services of up to $14.5 million. The federal grant funds local demonstration projects that support the implementation and test the effectiveness of innovative intervention strategies to improve permanency outcomes of foster children in California, in particular African-American and Native-American youth that have been identified as having the most significant barriers to permanency. Projects funded by the grant will address site-specific issues in order to help children move from foster care, in less than three years.

Up to five grant awards will be distributed, with a maximum annual per-award amount of $2.5 million for year one, and increasing to $3 million per year for up to four additional years. The grant requires ten percent state fund matching and will come from existing unmatched General Fund (GF) budgeted in the State Family Preservation premise.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Section 426 of the Social Security Act (42 U.S.C. Section 626)
- Program and financial status reports are due 30 days after the end of the second and fourth quarters (six-month intervals) throughout the total approved project period.
- The initial implementation counties are: Fresno, Humboldt, Los Angeles and Santa Clara.
- Ten replication counties may participate in early planning and development activities and implement during years four and five of the project, including: Contra Costa, Napa, Monterey, Orange, Sacramento, San Bernardino, San Francisco, Santa Cruz, Solano, and Yolo.

METHODOLOGY:

The estimate is based on the Federal Fiscal Year (FFY) federal grant amount. The FFY 2010 grant amount is for $2.5 million, less $368,000 state operation costs. The FFY 2011 grant amount is estimated to be $3 million, less $368,000 state operation costs.

FUNDING:

This premise is funded 100 percent with federal Title IV-B funds with 10 percent matching GF under the State Family Preservation premise.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

Federal Grant to Reduce Long-Term Foster Care

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to the annual per-award amount of $2.5 million for year one, and increasing to $3 million per year for up to four additional years less state operations.

EXPENDITURES:
(in 000's)

	2010-11	2011-12
Total	$2,132	$2,632
Federal	2,132	2,632
State	0	0
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 in Fiscal Year (FY) 2001-02, based on federal requirements, a minimum of 20 percent of the 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 2010 grant letter is for $33,751,156.

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 is $2,004,176 for FFY 2010 and $2,004,176 is estimated for FFY 2011.

FUNDING:

This premise reflects federal Title IV-B grant funds to be used over a two-year period.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Promoting Safe and Stable Families (PSSF)

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$32,551	$32,551
Federal	32,551	32,551
State	0	0
County	0	0
Reimbursements	0	0

PSSF	2010-11	2011-12
Caseworker Visit	County Admin.	County Admin.
Total	$2,004	$2,004
Federal	2,004	2,004
State	0	0
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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.

Senate Bill (SB) 654 (Chapter 555, Statutes of 2010) allows youth who enter into a nonrelated legal guardianship ordered between the ages of eight through 15 to also receive ILP services. These youth will be provided with state only funding at age 16 and 17 and will be eligible for federally funded ILP services at ages 18 to 21.

SB 654 adds section 10609.45 to the Welfare and Institutions Code specifying that a child placed with a nonrelated legal guardian, whose guardianship was ordered on or after the child's eighth birthday shall be provided services if their dependency was dismissed on or after their 16th birthday under the ILP. These youth will be provided with state only funding at age 16 and 17 and will be eligible for federally funded ILP services at ages 18 to 21.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1988.

SB 654 (Chapter 555, Statutes of 2010) implements on January 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section; 10609.3 and 10609.95.
- Funding is based on the federal grant award for ILP.
- The final grant amount for Federal Fiscal Year (FFY) 2010 is $19,346,731.
- The estimated grant amount for FFY 2011 is $19,346,731.
- The State Operations amount is $1,019,784.

METHODOLOGY:

Funding is based on the FFY federal grant amount less state operations costs.

Independent Living Program

FUNDING:

This premise is funded 100 percent with a federal grant award. The matching funds are provided through the "Extended ILP" premise.

CHANGE FROM THE APPROPRIATION:

The decrease reflects the actual grant award.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$18,327	$18,327
Federal	18,327	18,327
State	0	0
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 2010-11 and FY 2011-12, the funding is held to the Budget Act 2010 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)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$15,166	$15,166
Federal	0	0
State	15,166	15,166
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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.

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.

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, and 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) 2010 is $6,486,023.
- The estimated grant for FFY 2011 is $6,486,023.
- 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 Foster Youth Stipend” premise.

METHODOLOGY:

This premise reflects the federal grant amount plus an additional $5.7 million GF 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:

The grant amount decreased.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$12,186	$12,186
Federal	6,486	6,486
State	5,700	5,700
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 THPP and THP-Plus by providing a new rate-setting methodology. Effective January 1, 2006, AB 824 (Chapter 636, Statutes of 2005) raised 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 THPP maximum rate is 75 percent of the group home rate. The THP-Plus rate is 70 percent of the county's group home average grant.
- The estimate includes a $5 million General Fund (GF) reduction for THP- Plus.
- For Fiscal Year (FY) 2011-12, $115,000 of the THP-Plus GF portion will be transferred to the THP-Plus Participant Tracking System premise.
- Beginning in FY 2011-12 $869,000 of the THP-Plus GF portion will be transferred to the Extend Foster Care, Kinship Guardianship Assistance Payment, Adoption Assistance Program Benefits (AB-12) premise.
- For FY 2011-12, $19 million of the THP-Plus GF portion will be reduced in accordance with the Governor's Special Session. This reduction is proposed in light of the passage of Chapter 559, Statues of 2010 (AB12) (For more information please see the AB 12 premise write-up.)

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:

The change is due to THP-Plus funds of $115,000 GF supporting the THP-Plus Participant Tracking System and $869,000 that will be diverted to the Extend FC, KG, AAP Benefits (AB 12) premises. Also, the Governor's special session reduced THP-Plus by $19 million GF.

EXPENDITURES:

(in 000's)

Total	2010-11	2011-12
Total	$49,713	$29,844
Federal	5,188	5,188
State	39,337	19,468
County	5,188	5,188
Reimbursements	0	0

THPP	2010-11	2011-12
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 Net Impact	2010-11	2011-12
Total	35,878	$16,009
Federal	0	0
State	35,878	16,009
County	0	0
Reimbursements	0	0

Transitional Housing Program-Plus (THP-Plus) Participant Tracking System (PTS)*

DESCRIPTION:

This premise reflects funding for the development and licensing of the PTS by reallocating existing THP-Plus funds. The THP-Plus program assists emancipated foster youth as they move from dependency to self-sufficiency by providing them with housing and supportive services. Participants are ages 18 to 24. The PTS was developed by the John Burton Foundation (JBF) over a two-year period to track program participants. Final launch of the system was in December 2008. As of July 2009, 55 THP-Plus providers in 28 counties were voluntarily entering information for over 1,000 program participants. Seven counties participated through the Connected by 25 Initiative using the Efforts-to-Outcomes database, another optional system that is not part of JBF.

The JBF is "gifting" the PTS to the California Department of Social Services (CDSS); however, the system will have to be modified or recreated to adhere to Departmental system designs and/or to adhere to both federal and state internet technology requirements. There is no relevant data available to CDSS that is as participant specific as is found in the PTS. The information obtained from the PTS is critical for developing policies about the operation of THP-Plus.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: The Budget Act of 2010.
- The JBF is gifting the PTS to CDSS.
- Estimated initial contract costs are $115,000.

METHODOLOGY:

The estimate is based on contract costs.

FUNDING:

This premise is funded 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise will implement on July 1, 2011.

Transitional Housing Program-Plus (THP-Plus) Participant Tracking System (PTS)

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$0	$115
Federal	0	0
State	0	115
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

Reduce THP – Plus*
(Governor's Special Session)

DESCRIPTION:

This premise reflects a reduction in funding for the Transitional Housing Program Plus (THP-Plus) program. The THP-Plus program assists emancipated foster youth as they move from dependency to self-sufficiency by providing them with housing and supportive services (educational guidance, job counseling, crisis intervention, transportation, etc.) The participants are ages 18 to 24. This program is 100 percent state funded.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- FY 11-12 assumes a $19 million GF reduction to THP-Plus program as part of the proposed Budget solutions included in the Governor's Budget.
- The reduction reflects the cost of serving youth aged 18 and 19 in the THP-Plus program, many of which otherwise would be emancipating out of foster care program if not for Assembly Bill 12, which extends foster care benefits beyond age 18 beginning January 1, 2012.
- Counties operating THP-Plus programs will retain the flexibility to serve emancipated foster youth aged 18 and 19 as dictated by local resources and demand.
- Absent the reduction, the projected cost for THP-Plus program in FY 11-12 is $35.9 million GF.

METHODOLOGY:

The $19 million GF reduction reflects the cost of THP Plus services for 18 and 19 year olds

FUNDING:

The reduction is 100 percent GF.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

Reduce THP – Plus
(Governor's Special Session)

EXPENDITURES:
(in 000's)

	2010-11	2011-12
Total	0	-$19,000
Federal	0	0
State	0	-19,000
County	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 a 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)

	2010-11 County Services	2011-12 County Services
Total	$3,602	$3,602
Federal	0	0
State	3,602	3,602
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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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 of 70 percent 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 change is due to a decrease in the foster care discount rate.

EXPENDITURES:

(in 000's)	2010-11 County Admin.	2011-12 County Admin.
Total	$269	$269
Federal	94	97
State	175	172
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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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 estimate is based on contract costs.

FUNDING:

After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 67 percent for FY 2011-12, of federally eligible costs are shared 75 percent federal Title IV-E and 25 percent General Fund (GF), with the exception of various contracts which utilize an in-kind match. Nonfederally eligible costs are funded with 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to updated contract amounts and a decrease in the foster care federal discount rate.

Total Child Welfare Training Program

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$23,709	$23,824
Federal	15,077	14,892
State	8,632	8,932
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 nine counties that are participating (Alameda, Butte, Contra Costa, Monterey, San Diego, San Francisco, San Luis Obispo, Santa Cruz, and Shasta).
- This estimate reflects costs for only the eight non-Title IV-E Waiver counties.

METHODOLOGY:

The total program costs are fixed at $5,022,583.

FUNDING:

Respite care is funded 70 percent General Fund (GF) and 30 percent county funds.

After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 69 percent for FY 2011-12, training and recruitment components are funded with 75 percent and 50 percent federal Title IV-E funds, respectively. Nonfederal costs are shared 70 percent GF and 30 percent county.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There was a decrease in the federally eligible components and a decrease in the foster care federal discount rate.

Substance Abuse/HIV Infant Program

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$5,022	$5,022
Federal	1,606	1,472
State	2,391	2,485
County	1,025	1,065
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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:

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 based on actual expenditures.
- **Social Worker Training** – An agreement between the California Department of Social Services (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 20 schools of social work participating. Funding is provided with Title IV-E federal funds, with an in kind match provided by the state universities.

Child Welfare Services – Pass-Through Title IV-E Costs

- **Other Public Agencies** – The federal government allows Title IV-E reimbursement for administrative activities associated with pre-placement prevention. Under current CDSS regulations and specified conditions, counties may pass 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 based on actual expenditures.
- **Social Work/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.
- **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).

FUNDING:

Costs represent 100 percent federal Title IV-E funds.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to updated expenditures and contracts.

EXPENDITURES:

(in 000's)

COMBINED TOTAL:	2010-11 County Admin.	2011-12 County Admin.
Total	$190,448	$153,175
Federal	190,448	153,175
State	0	0
County	0	0
Reimbursements	0	0

Child Welfare Services – Pass-Through Title IV-E Costs

EXPENDITURES:

(in 000's)

DETAILED TOTALS:

Probation:	2010-11 County Admin.	2011-12 County Admin.
Total	$147,723	$110,227
Federal	147,723	110,227
State	0	0
County	0	0
Reimbursements	0	0

Other Public Agencies:	2010-11 County Admin.	2011-12 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	2010-11 County Admin.	2011-12 County Admin.
Total	$5,122	$4,976
Federal	5,122	4,976
State	0	0
County	0	0
Reimbursements	0	0

Social Worker Training	2010-11 County Admin.	2011-12 County Admin.
Total	$33,802	$34,171
Federal	33,802	34,171
State	0	0
County	0	0
Reimbursements	0	0

AOC Social Worker/County Counsel Training:	2010-11 County Admin.	2011-12 County Admin.
Total	$886	$886
Federal	886	886
State	0	0
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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Dual Agency – Supplement to the Rate*

DESCRIPTION:

This premise reflects the cost of county social workers to complete 'Supplement to the Rate' questionnaires and eligibility forms to be used for determining eligibility for, and the appropriate level of, a supplement to the rate based on the extraordinary care and supervision needs of a dual agency child. The criteria for children to be 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.

IMPLEMENTATION DATE:

This premise implemented retroactively to July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Senate Bill 84 (Chapter 177, Statutes of 2008).
- The estimate reflects costs for only the Child Welfare Services program since the impact to the Adoption Assistance, Foster Care, and Kinship Guardianship Assistance Payment programs are now part of the caseload trends and are no longer estimated separately.
- The estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- It is estimated that 236 new cases will enter dual agency status and require additional social worker activities.
- 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'.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by the hours required to fill out additional forms, multiplied by the hourly cost of a social worker.

FUNDING:

After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 69 percent for FY 2011-12, 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:

There is no change.

Dual Agency – Supplement to the Rate

EXPENDITURES:

(In 000's)

	2010-11	2011-12
Total	$81	$81
Federal	28	28
State	37	37
County	16	16
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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:

The estimate is based on the Budget Act of 2010 Appropriation level.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12 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. Nonfederal costs are 100 percent General Fund (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:

The change is due to a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$2,416	$2,407
Federal	1,075	1,024
State	1,341	1,383
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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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 that would be implementing changes at the county level.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

Seven to ten counties will participate in Fiscal Year (FY) 2010-11 and FY 2011-12. 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.
- Contract Services – expand the existing contract services to include providing assistance to counties participating in the Recruitment and Retention Pilot Program. The services would consist of offering support and guidance by responding via phone, internet, and/or mail and providing information on choosing an adoption or foster family agency.
- 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:

The total cost is based on anticipated contract costs.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2011-11 and 67 percent for FY 2011-12, 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.

Foster and Adoptive Family Recruitment Campaign

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$185	$185
Federal	65	62
State	120	123
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 Fiscal Year (FY) 2010-11 and FY 2011-12 is being held at the Budget Act of 2010 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 General Fund 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 split between investigations and minor parent services costs are updated.

EXPENDITURES:

(in 000's)

COMBINED TOTAL:	2010-11 County Admin.	2011-12 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:	2010-11 County Admin.	2011-12 County Admin.
Total	$4,638	$4,573
Federal	2,319	2,287
State	1,623	1,600
County	696	686
Reimbursements	0	0

Minor Parent Services:	2010-11 County Admin.	2011-12 County Admin.
Total	$2,459	$2,524
Federal	1,230	1,262
State	860	883
County	369	379
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

Foster Care Infant Rate (SB 500 Amended by SB 720)*

DESCRIPTION:

This premise reflects the costs 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 impact to assistance payments under Item 101 is now in the caseload and grant trends and is no longer estimated separately.
- It is assumed that an additional two hours of social work time is 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:

After applying the foster care federal discount rate, 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	2010-11 County Admin.	2011-12 County Admin.
Total	$22	$22
Federal	8	8
State	10	10
County	4	4
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 20 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 2010-11 and FY 2011-12 are: Alameda, Contra Costa, El Dorado, Kern, Los Angeles, Monterey, Napa, Orange, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Luis Obispo, San Mateo, Santa Clara, Sonoma, Stanislaus, and Ventura.

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)

	2010-11 County Admin.	2011-12 County Admin.
Total	$4,000	$4,000
Federal	0	0
State	4,000	4,000
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 2010.
- This estimate reflects costs for only the 56 non Title IV-E Waiver counties.
- 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.

METHODOLOGY:

The estimate is held at the Budget Act of 2010 Appropriation level.

FUNDING:

After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 69 percent for FY 2011-12, federally eligible costs are shared 50 percent federal 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 a decrease in the foster care federal discount rate.

Kinship/Foster Care Emergency Funds

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$1,422	$1,422
Federal	498	476
State	924	946
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 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.
  - **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) 2010-11 and FY 2011-12: (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:

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. The foster care federal discount rate is applied to all Title IV-E costs.

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 foster care federal discount rate has decreased.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$8,294	$8,294
Federal	4,283	4,149
State	2,824	2,906
County	755	782
Reimbursements	432	457

* It should be noted that this program will be realigned in FY 2011-12.

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 CWS/CMS. As mandated by Senate Bill 370 (Chapter 1294, Statutes of 1989), 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 Department of Technology Services, 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 2011-12 M&O Plan.

FUNDING:

The cost allocation 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 2010-11 costs have been adjusted for Retirement and Employee Compensation.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have decreased due to Prime Vendor Services, Pro Rata, Retirement and Employee Compensation.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$82,563	$81,811
Federal	41,070	40,682
State	37,637	37,309
County	0	0
Reimbursements	3,856	3,820

CDSS/OSI PARTNERSHIP:

(in 000's)

	2010-11	2011-12
Total	$82,563	$81,811
CDSS	36,193	36,193
OSI	46,370	45,618

Child Welfare Services/ Case Management System (CWS/CMS) CWS/Web Project

DESCRIPTION:

This premise reflects the costs related to the implementation of the CWS/CMS CWS/Web Project. The CWS/Web Project 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 Project.

IMPLEMENTATION DATE:

This premise became effective in 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 CWS/CMS.
- Costs include staffing, operating expenses and equipment, consultant services, Department of General Services (DGS) fees, and administrative overhead in support of the CWS/Web development.

METHODOLOGY:

Costs are based on the July 2010 Special Project Report and corresponding Supplementary Premise Information document.

FUNDING:

The cost allocation 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 2010-11 costs have been adjusted for Retirement and Employee Compensation.

Child Welfare Services/ Case Management System (CWS/CMS) CWS/Web Project

REASON FOR YEAR-TO-YEAR CHANGE:

The net increase for FY 2011-12 reflects cost increases for staff, operating expenses and equipment, software, contract services and administrative overhead partially offset by reductions to DGS fees and consultant services. The FY 2011-12 costs have also been adjusted for Pro Rata, Retirement and Employee Compensation.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$9,180	$11,558
Federal	4,591	5,780
State	4,161	5,238
County	0	0
Reimbursements	428	540

CDSS/OSI PARTNERSHIP:

(in 000's)

	2010-11	2011-12
Total	$9,180	$11,558
CDSS	820	820
OSI	8,360	10,738

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) 2008-09 was $4,084,000 and for FY 2009-10 the revenue was $4,074,000.
- In order to expend additional funds which accrued in the early years of the fund, the annual revenue is expanded by a multiplier of 37.1 percent in FY 2010-11.

METHODOLOGY:

- Using FY 2008-09 actual revenue multiplied by 1.37 as the estimate for FY 2010-11 plates' revenue, 22.5 percent will be transferred to the counties for child abuse prevention activities ($4,084,000 x 1.371 x 22.5 percent = $1,259,812).
- Using FY 2009-10 actual revenue as the estimate for FY 2011-12 plates' revenue, 22.5 percent will be transferred to the counties for child abuse prevention activities ($4,074,000 x 22.5 percent = $916,650).

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 decreased actual revenues and the multiplier that is no longer necessary to spend down the fund balance that accrued in earlier years.

Child Health and Safety Fund

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$1,260	$917
Federal	0	0
State	1,260	917
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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.
- Total funding is fixed at $14,220,000.
- Based on the Department of Mental Health's annual cost for mental health services per child of $6,369 in Fiscal Year (FY) 2010-11 and $6,628 in FY 2011-12, 2,233 children can be served in FY 2010-11 and 2,146 children can be served in FY 2011-12.

METHODOLOGY:

Funding reflects the fixed amount.

FUNDING:

Total 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.

Supportive and Therapeutic Options Program (STOP)

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$14,220	$14,220
Federal	0	0
State	9,954	9,954
County	4,266	4,266
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 5,732 for Fiscal Year (FY) 2010-11 and 4,951 for FY 2011-12 based on data as reported on the Child Welfare Services/Case Management System. The out-of-state GH caseload is estimated at 162 for FY 2010-11 and 196 for FY 2011-12.
- The hourly cost of a social worker is $72.60.
- 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, 2,934 cases are placed out-of-county for FY 2010-11, and 2,579 cases for FY 2011-12. These cases have been budgeted to include an additional two hours of travel time.
- Out-of-state per diem costs are estimated at $124 and out-of-state travel costs are estimated at $500.

METHODOLOGY:

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 applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, 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, and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$9,960	$9,028
Federal	3,486	3,115
State	6,474	5,913
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 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 23,489 for Fiscal Year (FY) 2010-11 and 22,852 for FY 2011-12.
- 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 applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, 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:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$85	$83
Federal	30	29
State	55	54
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 13,356 for Fiscal Year (FY) 2010-11 and 12,777 for FY 2011-12.
- 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 average monthly caseload is multiplied by $72.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, 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.

Criminal Records Check for FR (AB 1774)

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$962	$920
Federal	337	317
State	625	603
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 implemented on January 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 361.4.
- The caseload for Fiscal Year (FY) 2010-11 is 20,758 based on new placement data for FY 2008-09. The caseload for FY 2011-12 is 20,225 based on new placement data for Calendar Year 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 applying the foster care federal discount rate of 70 percent for FY 2010-11 and 67 percent for FY 2011-12, 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 change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$2,315	$2,256
Federal	810	756
State	1,505	1,500
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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) 2010-11 is 20,758 based on new placement data for FY 2008-09. The initial assessment caseload for FY 2011-12 is 20,225 based on new placement data for Calendar Year 2009.
- The existing caseload for FY 2010-11 is 23,528 based on placement data for November 2009. The existing caseload for FY 2011-12 is 22,385 based on placement data for July 2010.
- 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 one percent of LAARS searches of new applicants will result in a match, with each match requiring four 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.

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 applying the foster care federal discount rate of 70 percent for FY 2010-11 and 67 percent for FY 2011-12, 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 change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

Initial Approvals:	2010-11	2011-12
	County Admin.	County Admin.
Total	$9,215	$8,979
Federal	3,225	3,008
State	4,193	4,180
County	1,797	1,791
Reimbursements	0	0

Relative Home Approvals

EXPENDITURES (CONTINUED):

(in 000's)

Annual Approvals:	2010-11	2011-12
	County Admin.	County Admin.
Total	$3,285	$3,125
Federal	1,150	1,047
State	1,495	1,454
County	640	624
Reimbursements	0	0

COMBINED TOTAL:	2010-11	2011-12
	County Admin.	County Admin.
Total	$12,500	$12,104
Federal	4,375	4,055
State	5,688	5,634
County	2,437	2,415
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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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 new placement caseload for Fiscal Year (FY) 2010-11 is 20,758 based on data for FY 2008-09. The new placement caseload for FY 2011-12 is 20,225 based on data for Calendar Year 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 one percent of LAARS searches of new applicants will result in a match, with each match requiring four hours to complete the document review.
- The hourly cost of a social worker is $72.60.

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 interests, 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 applying the foster care federal discount rate of 70 percent for FY 2010-11 and 67 percent for FY 2011-12, 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 change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$6,755	$6,582
Federal	2,364	2,205
State	3,074	3,064
County	1,317	1,313
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 new placement caseload for Fiscal Year (FY) 2010-11 is 20,758 based on data for FY 2008-09. The new placement caseload for FY 2011-12 is 20,225 based on data for Calendar Year 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.

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 interests, 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 applying the foster care federal discount rate of 70 percent for FY 2010-11 and 67 percent for FY 2011-12, 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 change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$522	$508
Federal	183	170
State	237	237
County	102	101
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 applying the foster care federal discount rate of 70 percent for FY 2010-11 and 67 percent for FY 2011-12, 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 a decrease in the foster care federal discount rate.

Live Scan Technology

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$1,200	$1,200
Federal	420	402
State	780	798
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 (PHN) 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 PHNs 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 implemented on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351).
- Caseloads are based on actual data from the previous 12 months.
- The projected foster care caseload is 53,712 for Fiscal Year (FY) 2010-11 and 45,732 for FY 2011-12.
- The foster care caseload per PHN is based on a 1:200 ratio.
- The cost for a PHN is $130,620.
- This program receives 75 percent federal Title XIX 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).

METHODOLOGY:

The projected 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 (53,712 ÷ 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 Appropriation.

Health Oversight and Coordination (P.L. 110-351)

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 change is due to a decrease in caseload.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$7,770	$6,467
Federal	0	0
State	7,770	6,467
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 implemented on January 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The annual Budget Act.
- 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.
- The statewide average cost of a social worker is $129,074.

METHODOLOGY:

The estimate is calculated by multiplying the number of social workers by the statewide average cost of a social worker.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, 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 FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$10,079	$10,079
Federal	3,528	3,477
State	4,586	4,621
County	1,965	1,981
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 assistance with PIP implementation are $300,000.

METHODOLOGY:

Includes contractor costs of $300,000 for assistance with PIP implementation.

FUNDING:

After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 67 percent for FY 2011-12, 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)

	2010-11 County Admin.	2011-12 County Admin.
Total	$300	$300
Federal	105	101
State	195	199
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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Data Requirements for New Activities*

DESCRIPTION:

This premise reflects the costs 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 estimate reflects costs for new family maintenance and foster care cases.
- The new caseload is 27,627 for Fiscal Year (FY) 2010-11 based on actual data for FY 2008-09 and 26,413 for FY 2011-12 based on actual data for Calendar Year 2009.
- It is assumed that each new case will require 15 minutes for a social worker to enter data.
- The hourly cost of a social worker is $72.60.

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 applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, 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 is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$501	$479
Federal	175	165
State	228	220
County	98	94
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 implemented on 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 14 counties completing County Welfare Department (CWD) and County Probation Department (CPD) reviews in Fiscal Year (FY) 2010-11 and 20 counties completing CWD and CPD reviews in FY 2011-12.
- Based on information from the County Welfare Directors Association (CWDA), it will require a total of 712 hours of social worker time for each CWD review, which includes staff time for preparation, coordination and training for the reviews and completion and review of reports. Included in the total hours are five full days for eight staff from the county being reviewed, and eight staff from other counties to participate in the reviews.
- It will require a total of 427 hours of probation worker time for each CPD review, which includes staff time for preparation, coordination and training for the reviews and completion and review of reports. It is assumed that each CPD review will take approximately three-fifths the time of a CWD review.
- The hourly cost of a worker is $72.60.
- The eight workers from other counties will require travel and per diem costs of $124 per day.
- $40,000 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 per day. Costs are also added for state support.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, 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, with the exception of state support costs, which are 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The number of county reviews has increased.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$1,310	$1,853
Federal	459	639
State	603	858
County	248	356
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 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 applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 67 percent for FY 2011-12, 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 change is due to a decrease in the foster care federal discount rate.

Child Fatality and Near Fatality Peer Quality Case Reviews (PQCRs)

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$245	$245
Federal	86	82
State	111	114
County	48	49
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 2010-11 and 2011-12, 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 who will be attending training.
- 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.
- The hourly cost of a worker is $72.60.

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 worker.

Statewide Standardized Training

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 67 percent for FY 2011-12, 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 change is due to a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$14,215	$14,215
Federal	7,464	7,143
State	4,726	4,950
County	2,025	2,122
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 70 percent for Fiscal Year (FY) 2010-11 and 67 percent for FY 2011-12.

METHODOLOGY:

The expected donations total $4 million each year in FY 2010-11 and FY 2011-12.

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 state funded, payable from the CWS Program Improvement Fund.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)	2010-11	2011-12
	County Admin.	County Admin.
Total	$8,421	$8,040
Federal	4,421	4,040
State	4,000	4,000
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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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 70 percent for FY 2010-11 and 67 percent for FY 2011-12.

- 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 $6,442,000. An additional $358,000 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 a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$10,690	$10,603
Federal	3,890	3,803
State	6,800	6,800
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 implemented on 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 CWS Outcome Improvement Project (CWSOIP) activities is $10.6 million.
- The GF for county probation department CWSOIP activities is $1.2 million.
- AB 1808 provides an augmentation of $39.4 million GF.
- The foster care federal discount rate is 70 percent for Fiscal Year (FY) 2010-11 and 69 percent for FY 2011-12.
- For county welfare department CWSOIP activities, 45 percent of the activities are eligible 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:

The change is due to a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

CWSOIP:	2010-11	2011-12
	County Admin.	County Admin.
Total	$14,402	$14,346
Federal	2,581	2,525
State	11,821	11,821
County	0	0
Reimbursements	0	0

CWSOIP Augmentation:	2010-11	2011-12
	County Admin.	County Admin.
Total	$60,565	$60,102
Federal	21,198	20,735
State	39,367	39,367
County	0	0
Reimbursements	0	0

COMBINED TOTAL:	2010-11	2011-12
	County Admin.	County Admin.
Total	$74,967	$74,448
Federal	23,779	23,260
State	51,188	51,188
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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:

- 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.
- 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 856 for Fiscal Year (FY) 2010-11 and 834 for FY 2011-12.
- The Adoptions caseload from out-of state homes studies performed by counties is estimated at 142 for FY 2010-11 and 157 for FY 2011-12.
- 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.

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 of 69 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 (GF) and 30 percent county.

For Adoptions, costs are shared 42.09 percent federal and 57.91 GF for FY 2010-11 and 41.38 percent federal and 58.62 percent GF for FY 2011-12.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

For CWS, the change is due to a decrease in the foster care federal discount rate and a decrease in caseload.

For Adoptions, the change is due to an increase in the GF sharing ratio and an increase in caseload.

EXPENDITURES:

(in 000's)

CWS	2010-11 County Admin.	2011-12 County Admin.
Total	$994	$969
Federal	348	334
State	452	444
County	194	191
Reimbursements	0	0

Adoptions	2010-11 County Admin.	2011-12 County Admin.
Total	$252	$279
Federal	106	115
State	146	164
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

Adam Walsh Child Protection and Safety Act of 2006*

DESCRIPTION:

This premise reflects the costs associated with Public Law (P.L.) 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 non-relative 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: P.L. 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.
- 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) 2010-11 is 20,758, based on new placement data for FY 2008-09. The annual relative and NREFM caseload for FY 2011-12 is 20,225, based on new placement data for Calendar Year 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 for FY 2010-11 is 2,661 and for FY 2011-12 is 2,593.
- It is assumed that ten percent of the out of state checks performed will require a total of eight hours of social worker time to check and investigate each case.
- 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.

Adam Walsh Child Protection and Safety Act of 2006

KEY DATA/ASSUMPTIONS (CONTINUED):

- Social workers will spend four hours responding to incoming requests for underlying case information.
- The hourly cost of a social worker is $72.60.

Adoptions

- The number of potentially approved families is 7,141 for FY 2010-11 based on new placement data for FY 2008-09 and 7,262 for FY 2011-12 based on new placement data for Calendar Year 2009.
- 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 714 for FY 2010-11 and 726 for FY 2011-12.
- It is assumed that ten percent of the out of state checks performed will require an investigation, which will take a social worker eight hours to investigate.
- 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 2010-11 is 1,499, based on new licensing activity for FY 2008-09. The FFH caseload for FY 2011-12 is 1,231 based on new licensing activity for FY 2009-10.
- 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 3,748 for FY 2010-11 and 3,078 for FY 2011-12.
- It is assumed that ten percent of the out of state checks performed will require an investigation, which will take a social worker eight hours to investigate.
- The hourly cost of a licensing worker is $70.68.

Adam Walsh Child Protection and Safety Act of 2006

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.

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 applying the foster care federal discount rate of 70 percent for FY 2010-11 and 67 percent for FY 2011-12, 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 2010-11 is 42.09 percent federal and 57.91 percent nonfederal based on actual expenditure data from FY 2008-09. The sharing ratio for FY 2011-12 is 41.38 percent federal and 58.62 percent nonfederal based on FY 2009-10 actual expenditures for the Adoptions Basic Program.

For CCL, based on actual expenditure data from Calendar Year 2009, the sharing ratio is 36.30 percent federal Title IV-E and 63.70 percent GF for FY 2010-11 and FY 2011-12.

CHANGE FROM THE APPROPRIATION:

There is no change.

Adam Walsh Child Protection and Safety Act of 2006

REASON FOR YEAR-TO-YEAR CHANGE:

The change to CWS and CCL is due to a decrease in caseload. The change to Adoptions is due to an increase in caseload. Both CWS and Adoptions have an increase in the non-federal sharing ratios.

EXPENDITURES:

(in 000's)

CWS	2010-11	2011-12
	County Admin.	County Admin.
Total	$421	$409
Federal	147	137
State	193	191
County	81	81
Reimbursements	0	0

Adoptions	2010-11	2011-12
	County Admin.	County Admin.
Total	$109	$111
Federal	46	46
State	63	65
County	0	0
Reimbursements	0	0

CCL	2010-11	2011-12
	County Admin.	County Admin.
Total	$45	$37
Federal	16	13
State	29	24
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 must 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 are 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 must insure that developmentally appropriate children are involved in the development of their case plan, help plan for permanent placement, and that children 12 years of age or older review their case plan, sign it, and receive a copy.

IMPLEMENTATION DATE:

This premise was originally implemented on July 1, 2004.

The provisions of AB 1412 implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 408 (Chapter 813, Statutes of 2003) and AB 1412 (Chapter 640, Statutes of 2005). Welfare and Institutions Code sections 349, 366-366.35, 391, 16001.9, and 16206 – 16501.1
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- For Fiscal Year (FY) 2010-11 the estimate is being held to the Budget Act of 2010 Appropriation.
- For FY 2011-12 there are approximately 5,990 new children 10 years of age and older and who have been in out-of-home placement for six months or longer. The social worker will spend at least four hours per case to assess the placement of the child and an additional one-half hour per case, for the six month case plan/court report.
- For FY 2011-12 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 FY 2011-12 there are approximately 6,428 out-of-home placement cases for the six month case plan/court report for ongoing cases. The social worker will spend 15 minutes per case.
- Background checks will be performed on each initial and additional assessment case at a cost of $87.00 per case.
- For FY 2011-12 there are approximately 6,673 foster children 16 and older in out-of-home placement to complete a TILP.

Child Relationships
(AB 408 Amended by AB 1412)

KEY DATA/ASSUMPTIONS (CONTINUED):

- For FY 2011-12 there are approximately 5,832 children 8 to 11 years old who are developmentally appropriate to participate in their case plan development.
- For FY 2011-12 there are approximately 10,282 children 12 years and older who will review and sign their case plan.
- The social worker cost per hour is $72.60.

METHODOLOGY:

For FY 2010-11 the estimate is held at the Budget Act of 2010 Appropriation. For FY 2011-12 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.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, federally eligible costs are shared 50 percent federal 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 change is due to a decrease in caseloads and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

Total	2010-11 County Admin.	2011-12 County Admin.
Total	$5,559	$5,087
Federal	1,946	1,755
State	2,529	2,332
County	1,084	1,000
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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] that was signed into law on October 7, 2008. Section 202 of this federal bill mandates during the 90-day period immediately prior to the date in which the child will attain 18 years of age, or such greater age as the state may elect, a caseworker or other representatives of the child may provide the child with assistance and support in developing a Transitional Plan. This plan must include specific options on housing, health insurance, education, local opportunities for mentors, continuing support services, such as work force supports and employment services, and is as detailed as the child may elect.

IMPLEMENTATION DATE:

This premise implemented 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.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- For Fiscal Year (FY) 2010-11, 4,273 youth age 17 and 18 will need a Transition Plan based on July 2009 data.
- For FY 2011-12, 3,837 youth age 17 and 18 will need a Transition Plan based on January 2010 data.
- For FY 2011-12, 362 current 18 year olds will be moved to the Extend Foster Care, Kinship Guardianship Assistance Payment, Adoption Assistance Program Benefits (AB-12) premise and will not require a Transition Plan.
- It takes a social worker one hour to complete the Transition Plan with the foster child.
- The hourly social worker cost is $72.60.

METHODOLOGY:

The cost is derived by multiplying the caseload by the one hour it will take the social worker to complete the Transition Plan by the social worker hourly cost.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, 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.

Personalized Transition Plan (P.L. 110-351)

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$310	$279
Federal	109	96
State	141	128
County	60	55
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

Resource Family Approval Pilot (AB 340)*

DESCRIPTION:

This premise reflects costs associated with Assembly Bill 340 (Chapter 464, Statutes of 2007) which requires the California Department of Social Services, 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, and approving adoptive families.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16519 and 16519.5.
- For this estimate, all three approval functions (adoption, relative, and licensing) are performed by five potential 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.
- For Fiscal Year (FY) 2010-11 costs include additional one-time social worker training and county start-up costs of $380,053. On-going training for new staff as a result of turnover is estimated at $6,000 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/Nonrelative Extended Family Member (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). Annual visit costs for the FFH cases are calculated by taking the number of approved new licenses, multiplied by number of hours for each approval, multiplied by the hourly cost of a social worker (approved new licenses X 3 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). For FY 2010-11 training and start-up costs are then added in the amount of $380,053. For FY 2011-12 ongoing training costs are then added in the amount of $6,000.

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 applying the foster care federal discount rate of 70 percent for FY 2010-11 and 67 percent for FY 2011-12, 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.

Adoptions

Savings are shared based on actual sharing ratios in the Adoptions Program. The sharing ratio for FY 2010-11 is 42.76 percent federal and 57.24 percent GF. The sharing ratio for FY 2011-12 is 42.53 percent federal and 57.47 percent GF.

CCL

Savings are shared based on actual FFH sharing ratios. The sharing ratio for FY 2010-11 is 37.90 percent federal and 62.10 percent GF. The sharing ratio for FY 2011-12 is 37.67 percent federal and 62.33 percent GF.

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CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

For FY 2010-11 there is a half-year of costs/savings and for FY 2011-12 there is a full year of costs/savings, with annual visit costs which are offset by the completion of the CWS training start-up costs.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
CWS		
Total	$1,389	$1,956
Federal	486	655
State	632	911
County	271	390
Reimbursements	0	0

Resource Family Approval Pilot (AB 340)

EXPENDITURES (CONTINUED):

(in 000's)

	2010-11	2011-12
Adoptions		
Total	-$323	-$578
Federal	-138	-246
State	-185	-332
County	0	0
Reimbursements	0	0

	2010-11	2011-12
CCL		
Total	-$180	-$338
Federal	-68	-127
State	-112	-211
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

Supplemental Security Income/State Supplementary Payment (SSI/SSP) Foster Care 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.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- For Fiscal Year (FY) 2010-11, there are 3,938 children in foster care aged 16 ½ through 17 ½ that will require an SSI/SSP screening based on caseload data from December 2009.
- For FY 2011-12, there are 3,782 children in foster care aged 16 ½ through 17 ½ that will require an SSI/SSP screening based on caseload data from July 2010.
- Each screening will require 30 minutes of social worker time.
- Fifteen percent of those screened will have an SSI/SSP application submitted which will require eight hours of social worker time. Fifty percent of applications submitted 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 of a social worker.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, 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.

Supplemental Security Income/State Supplementary Payment (SSI/SSP) Foster Care Application

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$615	$590
Federal	215	204
State	400	386
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

Health Benefit Determination (AB 1512)*

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 is to be 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.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 14093.09.
- There are currently fifteen counties that have adopted the COHS. They are: Lake, Marin, Mendocino, Merced, Monterey, Napa, Orange, San Luis Obispo, San Mateo, Santa Barbara, Santa Cruz, Solano, Sonoma, Ventura, and Yolo.
- Social workers will spend two hours on determination and disenrollment activities.
- For Fiscal Year (FY) 2010-11 the number of out-of-county placements is 1,895 based on actual data from December 2009. For FY 2011-12 the number of out-of-county placements is 1,859 based on actual data from June 2010.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The cost is derived by multiplying the caseload by 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 applying the foster care federal discount rate of 70 percent for FY 2010-11 and 67 percent for FY 2011-12, federally eligible costs are funded with 50 percent federal Title IV-E funds. 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 a decrease in caseload and a decrease in the foster care federal discount rate.

Health Benefit Determination (AB 1512)

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$403	$270
Federal	141	90
State	262	180
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

Foster Youth Identity Theft (AB 2985)*

DESCRIPTION:

This premise reflects the costs associated with requesting and evaluating a credit check and referring a child to an approved credit counseling organization, pursuant to Assembly Bill (AB) 2985 (Chapter 387, Statutes of 2006). AB 2985 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.

IMPLEMENTATION DATE:

Implementation of this premise was previously suspended and it will now implement on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10618.6.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The estimate assumes 5,323 foster children will receive a credit check. The time to process each credit check is one hour.
- Ten percent of the caseload will be referred to a credit counseling organization. The time to process each referral is one hour.
- One percent of the caseload will not qualify for a free credit check. The cost for a credit check is $15.
- The hourly cost of a social worker hour is $72.60.

METHODOLOGY:

The social worker cost is derived by multiplying the number of credit checks processed, and the number of referrals, by the social worker hourly cost. Costs are added for those cases that do not qualify for a free credit check.

FUNDING:

After the foster care federal discount rate of 69 percent 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.

Foster Youth Identity Theft (AB 2985)

REASON FOR YEAR-TO-YEAR CHANGE:

The suspension of this premise is lifted and will implement July 1, 2011.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$0	$426
Federal	0	147
State	0	279
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

Increase Funding for Caseworker Visits*

DESCRIPTION:

This premise reflects the costs associated with Public Law (P.L.) 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. The P.L. 109-288 also required that the California Department of Social Services implement guidelines for what constitutes a quality visit with a foster child. 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 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 Officer (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: Child and Family Services Improvement Act of 2006 (P.L. 109-288). Welfare and Institutions Code section 16501.1.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- This estimate assumes that it will take a social worker two hours monthly to visit each Foster Family Home (FFH) placement and record the information into CWS/CMS.
- Beginning in Fiscal Year (FY) 2011-12 this estimate assumes that 16.8 percent of the total missed visits will require a social worker to spend an additional 30 minutes of time per visit to improve the quality of the visit.
- This estimate assumes that it will take a social worker four hours monthly to visit out-of-county FFH placements and record the information in CWS/CMS.
- This estimate assumes that it will take a social worker 15 minutes to input the Foster Family Agency (FFA) monthly visit information in the CWS/CMS.
- For FY 2010-11 the number of missed visit data is based on actuals from FFY 2009. For FY 2011-12, the missed visit data is updated by the percentage change in foster care caseload.
- The number of missed visits is 54,679 with 3,760 being out-of-county for FY 2010-11 and 44,755 with 7,556 being out-of-county for FY 2011-12.
- The number of FFA visits where information will need to be entered into CWS/CMS is 21,136 for FY 2010-11 and 19,146 for FY 2011-12.
- The hourly cost of a social worker is $72.60.
- There are 175 POs who need access to CWS/CMS with a monthly fee for a token of $27.00 each.

Increase Funding for Caseworker Visits

METHODOLOGY:

The caseload is multiplied by the number of hours, multiplied by the hourly cost of a social worker. The number of POs is multiplied by the monthly fee for a token, multiplied by twelve months.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs for the social worker visits are shared 70 percent General Fund (GF) and 30 percent county. Nonfederal costs for the tokens are 100 percent GF. A portion of the Promoting Safe and Stable Families (PSSF) funding is available for this new mandate (see the "PSSF premise for additional information).

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in foster care caseload.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$6,922	$5,601
Federal	2,423	850
State	3,160	3,337
County	1,339	1,414
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 the methodology and capacity for collecting data on all ILP services and foster youth cohorts. ACF gave states until October 1, 2010, to fully implement the regulation requirements and begin collecting required data.

The principle data collection method for 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.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The caseload is 4,475 based on actual caseload data of youth aged 17.
- In Fiscal Year (FY) 2010-11 social workers will spend 0.25 hours to explain and answer questions about the consent form for the follow-up survey.
- In FY 2011-12 social workers will spend four hours maintaining contact with former foster youth.
- Contract total cost for FY 2010-11 is $300,000.
- The hourly cost of a social worker is $72.60.

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 $300,000 for the Current Year.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, federally eligible costs are shared 50 percent federal Title IV-E. Nonfederal costs are shared 70 percent General Fund and 30 percent county. Contract cost has no county share.

Chafee Federal National Youth in Transition Database

CHANGE FROM THE APPROPRIATION:

The change is due to an increase in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to implementing the follow-up activities which require more time.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$382	$1,299
Federal	132	448
State	234	596
County	16	255
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 annual Budget Act.

Child Welfare Services (CWS)

Prospective Relative/NREFM Check

- The caseload for Fiscal Year (FY) 2010-11 is 19,294 based on actual relative and NREFM placement data for FY 2008-09.
- The caseload for FY 2011-12 is 18,799 based on actual relative and NREFM placement data for Calendar Year 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 2010-11, the relative placement caseload, excluding the 20 small counties, is 22,701 based on placement data for December 2009. The relative placement caseload for the 20 small counties is 473 cases.

Registered Sex Offender Check

KEY DATA/ASSUMPTIONS (CONTINUED):

- For FY 2011-12, the relative placement caseload, excluding the 20 small counties, is 21,871 based on placement data for July 2010. The relative placement caseload for the 20 small counties is 514 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 33 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 14 relative/NREFM homes disapproved, resulting in approximately 22 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 2010-11 is 7,269 and for FY 2011-12 it is 7,265. The FCCH caseload for FY 2010-11 is 3,678 and for FY 2011-12 it is 3,798.
- 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.

Registered Sex Offender Check

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is assumed that it will take an FFH and FCCH licensing worker 31 hours for each administrative action.
- 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 2010-11, there are 2,676 FFH and 367 FCCH applications received in FY 2008-09. For FY 2011-12, there are 2,389 FFH and 276 FCCH applications received in FY 2009-10.
- 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.

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.

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.

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.

Registered Sex Offender Check

METHODOLOGY (CONTINUED):

CCL

For FFH applications, the caseload is multiplied by the match rate, multiplied by the total hours required per investigation plus the number of administrative actions, multiplied by the number of hours per action, plus the caseload multiplied by the time it will take to check an address against the Megan's Law Public website and all multiplied by the hourly cost of an FFH licensing worker.

For FFH annual checks, the caseload is multiplied by the match rate, multiplied by the total hours required per investigation, plus the number of administrative actions, multiplied by the number of hours per action, and all multiplied by the hourly cost of an FFH licensing worker.

For FCCH applications, the caseload is multiplied by the match rate, multiplied by the total hours required per investigation, plus the number of administrative actions, multiplied by the number of hours per action, plus the caseload multiplied by the time it will take to check an address against the Megan's Law Public website and all multiplied by the hourly cost of an FCCH licensing worker.

For FCCH annual checks, the caseload is multiplied by the match rate, multiplied by the total hours required per investigation, plus the number of administrative actions, multiplied by the number of hours per action, and all multiplied by the hourly cost of an FCCH licensing worker.

FUNDING:

For CWS, after applying the foster care federal discount rate of 70 percent for FY 2010-11 and 67 percent for FY 2011-12, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund (GF).

For CCL – FFH, the sharing ratio is 36.30 percent federal Title IV-E and 63.70 percent GF based on actual expenditure data from Calendar Year 2009. FCCH costs are 100 percent GF.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(In 000's)

TOTAL	2010-11	2011-12
	County Admin.	County Admin.
Total	$663	$641
Federal	225	211
State	438	430
County	0	0
Reimbursements	0	0

Registered Sex Offender Check

EXPENDITURES (CONTINUED):

(In 000's)

CWS	2010-11	2011-12
	County Admin.	County Admin.
Total	$544	$530
Federal	190	178
State	354	352
County	0	0
Reimbursements	0	0

(In 000's)

CCL	2010-11	2011-12
	County Admin.	County Admin.
Total	$119	$111
Federal	35	33
State	84	78
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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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 annual Budget Act.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- For Fiscal Year (FY) 2010-11, the caseload is projected at 11,117 based on the number of youths that exited foster care to reunification during FY 2008-09.
- For FY 2011-12, the caseload is projected at 10,972 based on the number of youths that exited foster care to reunification during Calendar Year 2009.
- 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.
- FY 2010-11 includes a General Fund (GF) reduction of $1 million, of which $629,000 is for non-Title IV-E Waiver counties. The remaining amount is reflected under Item 153.
- FY 2011-12 includes the continued GF reduction of $1 million, of which $633,000 is for non-Title IV-E Waiver counties. The remaining amount is reflected under Item 153.

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.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent GF and 30 percent county.

Increase Family Case Planning Meetings to Improve Child Welfare Outcomes

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to decreases in caseload and the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$5,155	$5,072
Federal	1,804	1,750
State	2,346	2,325
County	1,005	997
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 implemented 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) 2010-11 is projected at 19,971 based on FY 2008-09 new out-of-home placements. The annual caseload for FY 2011-12 is projected at 18,843 based on new out-of-home placements for Calendar Year 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 applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, 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.

Notification of Relatives (P.L. 110-351)

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$2,900	$2,736
Federal	1,015	944
State	1,320	1,254
County	565	538
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

Increase Relative Search and Engagement*

DESCRIPTION:

This premise reflects the costs 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 reentry 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 annual Budget Act.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- For Fiscal Year (FY) 2010-11, there are 12,595 new entries into foster care that are not placed with relatives, based on data for FY 2008-09, and there are 3,328 youths age 16 and above not currently placed with relatives that have been in foster care for at least 18 months based on data from Calendar Year 2009.
- For FY 2011-12, there are 11,962 new entries into foster care not placed with relatives, based on data for Calendar Year 2009, and there are 3,175 youths age 16 and above not currently placed with relatives that have been in foster care for at least 18 months based on data from FY 2009-10.
- For new entries into foster care not placed with relatives, an average of eight hours of social worker time per case will be required to search for and engage relatives.
- For youths age 16 and above not currently placed with relatives that have been in foster care for at least 18 months, 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.
- FY 2010-11 includes a General Fund (GF) reduction of $1.5 million, of which $966,000 is for non-Title IV-E Waiver counties. The remaining amount is reflected in Item 153.
- FY 2011-12 includes a GF reduction of $1.5 million, of which $924,000 is for non-Title IV-E Waiver counties. The remaining amount is reflected in Item 153.

Increase Relative Search and Engagement

METHODOLOGY:

The caseload is multiplied by the respective number of social worker hours and the hourly cost of a social worker.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 69 percent for FY 2011-12, 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.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$11,837	$11,272
Federal	4,143	3,889
State	5,386	5,168
County	2,308	2,215
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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, FY 2010-11 and FY 2011-12 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 2010-11 and FY 2011-12 is held to the Budget Act 2010 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)

	2010-11	2011-12
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	2010-11	2011-12
Total	-$60,881	-$60,881
Federal	0	0
State	-60,881	-60,881
County	0	0
Reimbursements	0	0

Item 153	2010-11	2011-12
Total	-$19,075	-$19,075
Federal	0	0
State	-19,075	-19,075
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

Probation Access to CWS/CMS*

DESCRIPTION:

This premise reflects the costs associated with providing probation staff access to the Child Welfare Services/Case Management System (CWS/CMS). Probation staff need this access 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 provide support and maintenance required for probation staff to access the CWS/CMS.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- There will be Budget Year (BY) costs of purchasing 100 secure ID tokens for probation staff, at $70 each.
- Under the "Increase Funding for Caseworker Visits" premise, 175 tokens were previously purchased for probation staff.
- Ten percent of the total 275 tokens will annually require replacement due to loss or wear and tear.
- A flat fee of $22,000 per month is required to cover ongoing access fees.
- Annual training costs will total $800,000.
- Annual support and maintenance costs will total $352,000.

METHODOLOGY:

The number of tokens to be purchased is multiplied by the cost for a token. For replacement costs, ten percent of total tokens are multiplied by the cost of a token. For access fees, the fixed monthly fee is multiplied by twelve to get the annual cost of access. Costs are then added for annual training, and support and maintenance.

FUNDING:

After applying the foster care federal discount rate of 67 percent, federally eligible costs are shared 50 percent Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

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)

	2010-11	2011-12
Total	$0	$1,425
Federal	0	611
State	0	814
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

Foster Care Placement & Proximity to School of Origin*

DESCRIPTION:

This premise reflects costs for social workers to enter school transfer information and educational progress into a child's health and education passport (or comparable format) upon their placement into foster care. Senate Bill 1353 (Chapter 557, Statutes of 2010) required that efforts be made to select a school setting that is in close proximity to a child's home, promotes educational stability by considering its location in or near the child's school of origin or attendance area, and provides an opportunity to delay any necessary school transfers to the summer or normal matriculation schedule. This new information will allow social workers another tool to use in an effort to promote educational stability.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16001.9, 16010, and 16501.1.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- An average of 15 minutes of social worker time is required per case to enter school transfer information into a child's health and education passport.
- The caseload is projected to be 8,528, based on new entries to foster care, ages 6 to 18 during Fiscal Year (FY) 2009-10.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by the social worker time per case, and the hourly cost of a social worker.

FUNDING:

After applying the foster care federal discount rate of 69 percent, 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:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

Foster Care Placement & Proximity to School of Origin

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$0	$155
Federal	0	54
State	0	71
County	0	30
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

Sibling Placement (AB 743)*

DESCRIPTION:

This premise reflects the costs associated with Sibling Placement Assembly Bill (AB) 743 (Chapter 560, Statutes of 2010) and additional mandatory provisions of the Fostering Connections and Increasing Adoptions Act of 2008 (Public Law 110-351) regarding the placement of siblings who are removed from their home, by requiring that a diligent effort be made to place siblings together, or if siblings are not placed together, to provide for ongoing and frequent interaction between the siblings, unless doing either of those would be contrary to any of the siblings' safety or well-being. This premise also requires the placing agency to notify the attorney's of the child and the child's siblings at least ten days in advance if a planned change in placement would separate siblings who are currently placed together, or seven days notice if the request for a change in placement comes from a provider which is required to give seven days notice to the placing agency.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16010.6.
- This estimate reflects costs for only the non-Title IV-E Wavier counties.
- The total monthly caseload for children in out of home placements for Fiscal Year (FY) 2011-12 is 39,343.
- It is assumed 2.6 percent of total statewide out of home placements notices are required to be sent to attorneys representing siblings.
- It is assumed that two hours of social workers time is required to process this notice.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The total caseload is multiplied by 2.6 percent of total out of home placements, multiplied by two hours of social worker time required and multiplied by social worker cost of $72.60 per hour.

FUNDING:

After the foster care federal discount rate of 69 percent 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:

This is a new premise.

Sibling Placement (AB 743)

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$0	$151
Federal	0	52
State	0	69
County	0	30
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 provided funding for 560.55 FTEs in each Fiscal Year (FY).
- The statewide average annual unit cost of an adoption worker is held at $128,564 for each FY.
- Additional federal spending authority in the amount of $8,794,357 for FY 2010-11, and $6,570,903 for FY 2011-12 is included based on actual historical expenditure data.
- The Improving Adoptions Outcomes Appropriation of $11,206,375 [$6,544,219 General Fund (GF)] has been rolled into 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 2010-11 is 42.09 percent federal and 57.91 percent nonfederal based on actual expenditure data from FY 2008-09. The sharing ratio for FY 2011-12 is 41.38 percent federal and 58.62 percent nonfederal based on actual expenditure data from FY 2009-10. The nonfederal share is 100 percent GF. Additional federal funding is included in the amount of $8,794,357 for FY 2010-11 and $6,570,903 for FY 2011-12 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 decrease is due to the nonfederal sharing ratio increasing and loss of savings from Independent Adoptions.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$91,970	$89,844
Federal	43,901	41,215
State	48,069	48,629
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 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) 2010-11, based on actual caseload and expenditure data, the PAARP caseload is projected at 4,031, with a cost of $7,322 per adoptive placement. For FY 2011-12 the PAARP caseload is projected at 4,326, with a cost of $7,806 per adoptive placement.
- The PAARP impact to the Adoption Assistance Program (AAP) program costs is now reflected in the AAP Basic Cost premise.
- The PAARP impact to the Foster Care (FC) grant savings for Non-Title IV-E Waiver counties is now reflected in the Foster Family Home Basic Cost premise.
- The PAARP impact to the Child Welfare Services (CWS) administration is now reflected in the CWS Basic premise.
- The PAARP impact to the FC (Non-Title IV-E Waiver counties) administrative savings is now reflected in the FC Administration Basic premise.
- The PAARP impact AAP administrative savings is now reflected in the FC Administration Basic Cost premise.

Private Agency Adoption Reimbursement Payments

METHODOLOGY:

The projected number of private agency adoptive placements is multiplied by the reimbursement cost per placement.

FUNDING:

Costs/savings are shared at 44 percent federal funds and 56 percent General Fund based on actual expenditures.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects an increased caseload and cost per case.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$29,517	$33,771
Federal	12,569	14,957
State	16,948	18,814
County	0	0
Reimbursement	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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.

METHODOLOGY:

- The estimate is based on anticipated and actual executed contracts.
- The foster care federal discount rate is 70 percent for Fiscal Year (FY) 2010-11 and 67 percent for FY 2011-12.

FUNDING:

After applying the foster care federal discount rate, 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 an increase in contract costs and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$443	$483
Federal	155	162
State	288	321
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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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) 2010-11 the average cost per case is $10,076 based on actual data from FY 2008-09.
- For FY 2011-12 the average cost per case is $6,784 based on actual data from FY 2009-10.
- For those counties that report expenditures, the projected number of children freed for adoption by county counsels is 209 for FY 2010-11 and 295 for FY 2011-12.

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:

The state and federal share is based on the actual sharing ratios for FY 2009-10 expenditures.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the cost per case, offset by an increase in caseload.

County Counsel Costs

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$2,106	$2,001
Federal	1,052	1,000
State	1,054	1,001
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 caseload for Fiscal Year (FY) 2010-11 and FY 2011-12 is approximately 6,784 each year.
- 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 39.39 percent will submit claims in FY 2010-11 and 40.35 percent will submit claims in FY 2011-12.

METHODOLOGY:

The estimate was developed by multiplying the projected number of adoptions by the percentage that would qualify as special needs cases. 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 change is due to an increase in the projected percentage of submitted claims.

Nonrecurring Adoption Expenses

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$726	$745
Federal	363	372
State	363	373
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 70 percent for Fiscal Year (FY) 2010-11 and 67 percent for FY 2011-12.

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 $1,789,430, based on the $1 million General Fund (GF) appropriation in AB 2198 for the implementation of this program. Of the $1 million GF, Respite is set at $605,000, Training is set at $105,900, and Recruitment is set at $289,100.

FUNDING:

After applying the foster care federal discount rate, federally eligible recruitment activities are funded with 50 percent federal Title IV-E funds and 50 percent nonfederal. Nonfederal costs are shared 70 percent GF and 30 percent county.

After applying the foster care federal discount rate, federally eligible training costs are funded with 75 percent federal Title IV-E funds and 25 percent nonfederal. Nonfederal costs 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 a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$1,819	$1,790
Federal	390	361
State	1,000	1,000
County	429	429
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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) 2010-11, the federal share of costs is 42.09 percent and the General Fund (GF) share is 57.91 percent based on FY 2008-09 actual expenditures for the Adoptions Basic program. For FY 2011-12, the federal share of costs is 41.38 percent and the GF share is 58.62 percent based on FY 2009-10 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:

The change is due to an increase in the GF share of costs.

EXPENDITURES:

(in 000's)

	2010-11 County Admin.	2011-12 County Admin.
Total	$147	$147
Federal	62	61
State	85	86
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 Public Law (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 is 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 (Chapter 250, Statutes of 2009) 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 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.
- The District Offices will be allocated approximately $60,000 based on an agreement reached between the CDSS Adoption District Offices and the counties.
- California was not awarded any funds for FFY 2009.

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:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There are no federal incentives to be used in the Budget Year.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$1,446	$0
Federal	1,446	0
State	0	0
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 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, 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)	2010-11	2011-12
	Grant	Grant
Total	$13,395	$13,395
Federal	0	0
State	13,395	13,395
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 the California Work Opportunity and Responsibility to Kids (CalWORKs) and Child Welfare Services (CWS) programs. 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 $8 million annually and have a 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 approximately $400,000 annually and has a limit of five years to fully expend the annual grant.

The total reflects the following federal grants:

	2010-11	2011-12
CAPTA Title I Grants	$4,740,000	$4,740,000
CAPTA Title II – CBCAP Grants	$3,166,801	$3,340,103
	$7,906,801	$8,080,103
Linkages Grant	$399,291	$400,000

Federal Grants

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:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to an increase in the spending plan.

EXPENDITURES:

(in 000's)	2010-11 Grant	2011-12 Grant
Total	$8,306	$ 8,480
Federal	8,306	8,480
State	0	0
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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 State Controller's Office 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, 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:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to an updated spending plan.

EXPENDITURES:

(in 000's)	2010-11	2011-12
	Grant	Grant
Total	$3,786	$3,600
Federal	0	0
State	3,786	3,600
County	0	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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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 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 40.50 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 + $23,058,515 + $388,622 = $44,883,137).
- 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 + $23,606,482 + $302,598 = $45,345,080).

FUNDING:

The GF for CSBG is block granted at $10.5 million with county participation at the maintenance of effort level.

The 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:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects the updated Title XIX rate, offset by the NMOHC costs.

EXPENDITURES:

(in 000's)	2010-11	2011-12
Grant/Admin.		
Total	$44,884	$45,345
Federal	0	0
State	10,889	10,803
County	10,936	10,936
Reimbursements	23,059	23,606

* It should be noted that this program will be realigned in FY 2011-12

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. The 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 (W&IC) 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. The SB 2199 held county costs to the FY 1996-97 CSBG expenditure level.
- The Financial Elder Abuse Reporting Act of 2005, resulting from SB 1018 (Chapter 140, Statutes of 2005) and which added W&IC section 15630.1, established all officers and employees of financial institutions as “mandated reporters of suspected financial abuse of an elder or dependent adult.” The mandated reporter shall report the known or suspected financial abuse as soon as possible. County APS activities to implement SB 1018, which are offered statewide, include training, educational materials, and technical assistance in APS reporting. Training for financial institutions by county APS staff is ongoing. This section shall remain in effect until January 1, 2013, unless extended or repealed.

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 2009-10.

Adult Protective Services

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.

Health-related activities performed by non-skilled professional medical personnel are eligible for Title XIX reimbursement at 50 percent.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase reflects a change in Title XIX reimbursements.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$98,979	$100,789
Federal	0	0
State	50,179	50,179
County	0	0
Reimbursements	48,800	50,610

* It should be noted that this program will be realigned in FY 2011-12

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.
- 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 is to educate county APS workers on the 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)

	2010-11	2011-12
Contracts		
Total	$176	$176
Federal	0	0
State	154	154
County	0	0
Reimbursements	22	22

* It should be noted that this program will be realigned in FY 2011-12

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 reflect ten percent of the projected expenditures for APS and CSBG for Fiscal Year (FY) 2010-11 and FY 2011-12.

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 APROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects the updated Title XIX rate for both APS and CSBG.

Reduce Adult Protective Services Program by Ten Percent

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Administration		
Total	-$13,310	-$13,538
Federal	0	0
State	-6,122	-6,114
County	0	0
Reimbursements	-7,188	-7,424

* It should be noted that this program will be realigned in FY 2011-12

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 40 counties providing FFH licensing and recruitment services. FFHs in the remaining 18 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 is 120 cases per worker.
- The worker to supervisor ratio used to determine the total number of FTEs is 6.25 to1.
- The average statewide unit cost is held at the FY 2002-03 unit cost of $125,663.
- For FY 2010-11 the projected caseload is 7,269 and for FY 2011-12 the projected caseload is 7,265.
- The recruitment-only amount is held at the FY 2005-06 funding level of $877,764.
- 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 $3,632,926.
- A total of $27,000 is included for the *Gresher v. Anderson* court case which requires notification to applicants of conviction information received and a summary of reasons for denial.

METHODOLOGY:

FY 2010-11

The estimate was developed by dividing the caseload by the workload standards to derive the number of nonsupervisory FTEs (7,269 cases ÷ 120 cases per worker = 60.58 FTEs). The FTEs were expanded to include supervisors at a ratio of 6.25 to 1 to determine the total number of FTEs ([60.58 FTEs ÷ 6.25 supervisor ratio] + 60.58 FTEs = 70.27 FTEs). The total number of FTEs is then multiplied by the unit cost (70.27 x $125,663). The total estimate was derived by adding the recruitment-only allocation, additional federal spending authority, and *Gresher v. Anderson* costs.

Community Care Licensing - Foster Family Homes

METHODOLOGY (CONTINUED):

FY 2011-12

The estimate was developed by dividing the caseload by the workload standards to derive the number of nonsupervisory FTEs (7,265 cases ÷ 120 cases per worker = 60.53 FTEs). The FTEs were expanded to include supervisors at a ratio of 6.25 to 1 to determine the total number of FTEs ([60.53FTEs ÷ 6.25 supervisor ratio] + 60.53 FTEs = 70.23 FTEs). The total number of FTEs is then multiplied by the unit cost (70.23 x $125,663). The total estimate was derived by adding the recruitment-only allocation, additional federal spending authority, and *Gresher v. Anderson* costs.

FUNDING:

Based on actual expenditure data from Calendar Year 2009, the sharing ratio is 36.30 percent federal Title IV-E and 63.70 percent GF. Additional federal spending authority is included based on actual expenditures.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects a decrease in the caseload.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$13,368	$13,362
Federal	7,218	7,216
State	6,150	6,146
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 projected caseload 3,678 for FY 2010-11 and 3,798 for FY 2011-12. The workload standard used to determine Full Time Equivalents (FTE) for targeted monitoring visits is 257 cases per worker.
- The worker to supervisor ratio used to determine FTEs is 6.25 to 1.
- The average statewide unit cost is held at the FY 2002-03 level of $117,885.
- A total of $80,000 General Fund (GF) is included for the Serious Incident Reporting premise to fulfill the reporting requirements for any injury, medical treatment, death, absence or unusual incident that threatens any child in the care of the licensee of an FCCH.
- A total of $10,000 is included for the *Gresher v. Anderson* court case which requires notification to applicants of conviction information received and a summary of reasons for denial.

METHODOLOGY:

FY 2010-11

The estimate was developed by dividing the caseload by the workload standard to determine the number of nonsupervisory FTEs (3,678 caseload ÷ 257). The FTEs were then expanded to include supervisors at a ratio of 6.25:1 to derive the total number of FTEs ([14.31 FTEs ÷ 6.25 supervisor ratio] + 14.31 FTEs = 16.60 FTEs). The average statewide unit cost was then multiplied by total FTEs.

The total estimate was derived by adding the Serious Incident Reporting and *Gresher v. Anderson* costs to the Family Child Care Homes – Basic Costs.

Family Child Care Homes – Basic Costs

METHODOLOGY (CONTINUED):

FY 2011-12

The estimate was developed by dividing the caseload by the workload to determine the number of nonsupervisory FTEs (3,798 caseload ÷ 257). The FTEs were then expanded to include supervisors at a ratio of 6.25:1 to derive the total number of FTEs ([14.78 FTEs ÷ 6.25 supervisor ratio] + 14.78 FTEs = 17.14 FTEs). The average statewide unit cost was then multiplied by total FTEs.

The total estimate was derived by adding the Serious Incident Reporting and G*resher v. Anderson* costs to the family child care homes – basic costs..

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 increase.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$2,047	$2,111
Federal	0	0
State	1,729	1,793
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 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 Year (FY) 2010-11 and FY 2011-12.

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)	2010-11 Contracts	2011-12 Contracts
Total	$0	$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

Nutritional Beverages (AB 2084)

DESCRIPTION:

This premise reflects cost associated with Assembly Bill 2084 (Chapter 593, Statutes of 2010) which requires additional funding of a Licensed Program Analyst (LPA) to inspect and conduct interviews at Family Child Care Homes (FCCHs) in order to comply with new beverage provisions, which require that only one percent or nonfat milk be served to children two years of age or older, juice be limited to not more than one serving per day of 100 percent juice, and serve no beverages with added sweeteners, either natural or artificial. It requires that clean and safe drinking water be readily available and accessible to children throughout the day.

If a child has a medical necessity documented by a physician that prohibits beverage compliance then the facility shall be exempt from complying to the extent necessary to meet the medical needs of that child. These provisions shall not apply to beverages at a FCCH that is provided by a parent or legal guardian for his or her child.

IMPLEMENTATION DATE:

This premise implements on January 1, 2012.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code section 1596.808
- Full Time Equivalents (FTE) 0.10 of an LPA will be required to inspect and conduct interviews at FCCHs in order to comply with new beverage provisions.
- The annual cost for an LPA is $117,885.

METHODOLOGY:

The FTE is multiplied by the annual cost of a LPA.

FUNDING:

This program is funded 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise will implement on January 1, 2012 and is a half year of funding.

Nutritional Beverages (AB 2084)

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$0	$6
Federal	0	0
State	0	6
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, 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) 2010-11 and FY 2011-12.

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:

The decrease is based on updated actual cost information.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is based on updated actual cost information.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
	County Admin.	County Admin.
Total	$86	$1,105
Federal	0	0
State	86	1,105
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 federal funding.

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 is 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)

	2010-11	2011-12
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, 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 and the Budget Year 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:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
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. 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.
- In order to expand the program, the $3,304,000 total funding was augmented by $2,500,000 for a total of $5,804,000 in Fiscal Year (FY) 1998-99.
- Assumes 227,314 services will be provided to deaf and hearing-impaired Californians.
- In FY 2010-11 and FY 2011-12, the program will also be funded with $2,996,000 in Title XX funds which offsets General Fund (GF) costs by that same amount. The Title XX funds are included on a separate line and are not included here. 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 GF and Title XX funds. The Title XX block grant reduces the amount of GF in the program. Title XX funding appears on a separate line as an adjustment.

CHANGE FROM THE APPROPRIATION:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(In 000's)

	2010-11 Grant	2011-12 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) 2010-11 and FY 2011-12 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 projected the FY 2010-11 and FY 2011-12 expenditures, as applied to the Access Assistance/Deaf Access – Basic Cost line and corresponding Title XX funding block grant line.

FUNDING:

The savings for this premise reflect 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)

	2010-11	2011-12
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) based on arrival information from the last two years. 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 $11.8 million in standard funds.
- Two million of this amount was distributed to qualifying refugees through the Wilson/Fish Alternative Project.
- A contract for $5.74 million in Fiscal Year (FY) 2010-11 and in FY 2011-12 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 RSS and the URM contract less the portion of the Wilson/Fish grant.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM THE APPROPRIATION:

The FY 2010-11 total grant has increased because of the increase in arrivals to California over the last two years.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$15,511	$15,511
Federal	15,511	15,511
State	0	0
County	0	0
Reimbursements	0	0

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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, and skills upgrading. 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 implemented on October 1, 1983.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13275-13282.
- The TA program was granted $6.99 million for Fiscal Year (FY) 2010-11. It is assumed that it will also be granted the same amount for FY 2011-12.
- The FY 2010-11 and FY 2011-12 allocations also include $263,125 in discretionary funding to serve elderly refugees.

METHODOLOGY:

The funding is the sum of federal grants for the TA program and discretionary funding to serve elderly refugees.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM THE APPROPRIATION:

The increase in the TA grant amount is due to the increasing number of refugee arrivals to California in the last two years.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Refugee Programs – Targeted Assistance

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$7,250	$7,250
Federal	7,250	7,250
State	0	0
County	0	0
Reimbursements	0	0

Refugee School Impact Grant

DESCRIPTION:

This premise reflects the federal funding granted to the California Department of Social Services (CDSS) by the federal 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 $950,000 per year to serve school-age refugee children and their families. This funding has been granted Fiscal Year (FY) 2010-11 and FY 2011-12 for a two-year grant cycle.
- 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.
- CDSS may request a carryover of unused grant money from a previous year to be added to its grant for the next year (within a grant cycle), however unspent grant funds may not be carried over from the end of a grant cycle to the beginning of a new cycle. Since FY 2010-11 is the beginning of a new grant cycle, there are no carryover of funds.
- The grant includes $60,000 in administrative money for state support costs.

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 decrease is due to a lower grant award for FY 2010-11 and FY 2011-12 than expected.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$950	$950
Federal	950	950
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 support 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.
- An annual increase of two percent is added to the federal base allocation for administration and assistance.
- An annual increase of two percent is added to the GF capped allocation for Child Welfare Services (CWS) and Foster Care (FC) Administration.

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 Year (FFY) 2003, FFY 2004, and FFY 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 FC Assistance is capped based on actual expenditures for FY 2005-06.
- The GF base allocations for 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.

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

METHODOLOGY (CONTINUED):

- 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 Title IV-E Waiver Adjustment line.
- 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 2010-11 and FY 2011-12 reflects costs for Dual Agency, the Five Percent Foster Care Rate Increase, the Supplement to the Dual Agency Rate, Educational Stability, and Reassessment Eligibility Relief – AB 1905.
- For FC Administration, the Non-Base Premises 141 line for FY 2010-11 and FY 2011-12 reflects costs for FC Supplemental Security Income/State Supplementary Payment (SSI/SSP) Application and Reassessment Eligibility Relief – AB 1905.
- For CWS Administration, the Non-Base Premises line for FY 2010-11 and FY 2011-12 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; Foster Youth Identity Theft, Increase Funding for Caseworker Visits; Chafee Federal National Youth in Transition Database; Increase Family Case Planning; Notification of Relatives (HR 6893); Increase Relative Search and Engagement; Educational Stability; Foster Care Placement and Proximity to School of Origin; and Sibling Placement.
- A ten percent reduction was applied to the Foster Family Agency portion of the Foster Care 101 Base.
- The methodology for the FC 101 – Group Home Rate Increase is located in the Group Home and Seriously Emotionally Disturbed Rate Increase premise.
- The methodology for the CWS 151 – CWS Reduction is located in the CWS Reduction premise.
- The methodology for the FC 101 – American Recovery and Reinvestment Act (ARRA) – Federal Medical Assistance Percentage (FMAP) Increase is located in the ARRA- FMAP Increase premise. For more information please see the ARRA premise write up.

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. In addition, the FC 101 Group Home Rate Increase includes 4.6 million in Title XX. The CWS base allocation consists of $24.2 million in Title XX funds that are used in lieu of GF.

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

FUNDING (CONTINUED):

Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise.

CHANGE FROM THE APPROPRIATION:

The Current Year GF changes are a result of estimate methodology changes to Educational Stability in FC 101 and CWS 151, and additional costs for the Reassessment Eligibility Relief (AB 1905) in FC 101 and FC 141.

REASON FOR YEAR-TO-YEAR CHANGE:

The Title IV-E Waiver Adjustment reflects an additional year 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 increase in CWS 151 Non-Base premises is primarily a result of an increase in expenditures in the *Gomez v. Saenz* premise, an increase in caseload in the Increase Relative Search and Engagement premise, and an increase in the Chafee Federal National Youth in Transition Database due to an update in the estimate's methodology.

EXPENDITURES:

(in 000's):

Item 153 Title IV-E Waiver	2010-11 Services/Admin And Grants	2011-12 Services/Admin And Grants
Total	$1,267,108	$1,249,547
Federal	534,118	512,904
State	335,334	334,036
County	397,656	402,607
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):
(in 000's):

Item 153 IV-E Waiver Adjustment	2010-11 Services/Admin And Grants	2011-12 Services/Admin And Grants
Total	$ 63,631	$76,626
Federal	48,360	57,344
State	15,271	19,282
County	0	0
Reimbursements	0	0

Item 153	2010-11 Grants	2011-12 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

Item 153	2010-11 Admin.	2011-12 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

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):
(in 000's):

	2010-11	2011-12
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

	2010-11	2011-12
Item 153	Grants	Grants
Foster Care 101 – Non-Base Premises		
Total	$9,338	$9,052
Federal	0	0
State	9,338	9,052
County	0	0
Reimbursements	0	0

	2010-11	2011-12
Item 153	Admin.	Admin.
Foster Care 141 – Non-Base Premises		
Total	$ 88	$ 122
Federal	0	0
State	88	122
County	0	0
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):
(in 000's):

	2010-11	2011-12
Item 153	Admin.	Admin.
CWS 151 – Non-Base Premises		
Total	$32,557	$33,586
Federal	0	0
State	32,557	$33,586
County	0	0
Reimbursements	0	0

	2010-11	2011-12
Item 153	Grants	Grants
FC 101 – Ten Percent Reduction - FFA		
Total	-$3,416	-$3,224
Federal	0	0
State	-3,416	-3,224
County	0	0
Reimbursements	0	0

	2010-11	2011-12
Item 153	Grants	Grants
FC 101 – Group Home Rate Increase		
Total	$50,416	$51,028
Federal	13,628	13,695
State	11,178	11,378
County	25,610	25,955
Reimbursements	0	0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):
(in 000's):

Item 153 - FC 101 - ARRA FMAP Impact to the Group Home Rate Increase

	2010-11 Grants	2011-12 Grants
Total	$0	$0
Federal	1,284	0
State	-514	0
County	-770	0
Reimbursements	0	0

Item 153 - CWS 151 – CWS Reduction

	2010-11 Admin	2011-12 Admin
Total	-$19,075	-$19,075
Federal	0	0
State	-19,075	-19,075
County	0	0
Reimbursements	0	0

Item – 153 - FC 101 – ARRA FMAP Increase

	2010-11 Grants	2011-12 Grants
Total	$0	$0
Federal	15,067	0
State	-6,027	0
County	-9,040	0
Reimbursements	0	0

Item – 153 - Carryover from FY 2007-08

	2010-11 Grants	2011-12 Grants
Total	$32,137	$0
Federal	13,914	0
State	13,019	0
County	5,204	0
Reimbursements	0	0

* It should be noted that this program will be realigned in FY 2011-12.

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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) 2010-11, 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) 2009. 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 2010-11 and FY 2011-12.

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 $26.7 million in FY 2010-11 and in FY 2011-12.
- 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 2010-11 and FY 2011-12, the estimate reflects the anticipated MOE-eligible expenditures.

FUNDING:

This program is funded with 100 percent General Fund.

CHANGE FROM THE APPROPRIATION:

The increase is due to increased projected expenditures for FY 2010-11.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$26,695	$26,695
Federal	0	0
State	26,695	26,695
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) 2010-11, 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) 2009. 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 2010-11 and FY 2011-12.

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, 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.

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 $602.9 million will be counted towards the state's base TANF MOE requirement in FY 2010-11 and expenditures totaling $403.9 million will be counted in FY 2011-12.
- 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 2010-11 and FY 2011-12, 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:

There is a slight increase compared to the Appropriation due to updated information.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in CDE MOE eligible expenditures in the BY is due to significant budget reduction proposals in CDE Child Care programs.

Other Departments' TANF MOE Eligible Expenditures
CDE Child Care Programs

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$602,893	$403,903
Federal	0	0
State	602,893	403,903
County	0	0
Reimbursements	0	0

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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) 2010-11, 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) 2009. 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 2010-11 and in FY 2011-12.

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, 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, 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 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 to fund the state portion of the $50 disregard payment to the custodial parent.

IMPLEMENTATION DATE:

This program was originally implemented in FY 1984-85.

Other Departments' TANF MOE Eligible Expenditures State Disregard Payment to Families

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 2010-11 and $15.1 million FY 2011-12. 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 shared 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:

The increase is due to an increase in the projected expenditures for FY 2011-12 as reported by DCSS.

EXPENDITURES:

(in 000's)

	2010-11	2011-12
Total	$11,987	$15,109
Federal	0	0
State	11,987	15,109
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 if California met the WPR requirement for the prior year. California is not expected to meet the WPR for FFY 2009; therefore, the state will have to meet the 80 percent MOE requirement in FY 2010-11.

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 FFY 2009; therefore the state will have to meet the 80 percent MOE requirement in FY 2010-11.

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)

	2010-11	2011-12
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 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 on 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 reduced 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)	2010-11	2011-12
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.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Section 403 (c) of the Social Security Act.
- This premise includes ECF funds for increased basic assistance costs only. Separate premise items are included for Subsidized Employment and Non-Recurrent 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.
- The expenditures reflect the September 2010 quarter expenditures as submitted on the ACF 196 for FFY 2010.
- 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.

American Recovery and Reinvestment Act of 2009
Emergency Contingency Funds
Basic Assistance – Caseload Increases

KEY DATA/ASSUMPTIONS (CONTINUED):

- One hundred percent of the basic assistance ECF funds earned for increased grant assistance payments received in 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.
- Assumes a portion of the funding received under ARRA will be used for ARRA related state administrative costs, which include support for the California Recovery Task Force in charge of with oversight and tracking of ARRA funds to the state.
- Includes ECF for Los Angeles County's Expanded Basic Assistance (BA) program to serve homeless individuals. (Please refer to ECF Expanded Basic Assistance Program Premise for further information.)
- ARRA ECF funds are only available for expenses incurred through September 30, 2010.

METHODOLOGY:

	July – Sept
Base Expenditures FFY 2007	$ 770,716,127
FFY 2010	927,167,089
Difference	156,450,962
80% ECF Earned for Increased Grant Assistance Payments	125,160,770
State OPS (80%)	261,000
Expanded BA (80%)	298,000
Total	$ 125,719,770

FUNDING:

This premise is funded with 100 percent ECF funds.

CHANGE FROM THE APPROPRIATION:

The premise only includes the September 2010 quarter while the Appropriation assumed that ARRA funds would be extended through FFY 2011.

American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds Basic Assistance – Caseload Increases

REASON FOR YEAR-TO-YEAR CHANGE:

ARRA ECF funds are not available in the Budget Year due to the expiration of ARRA.

EXPENDITURES:

(in 000's)

	2010-11 Grant	2011-12 Grant
Total	$125,720	$0
Federal	125,720	0
State	0	0
County	0	0
Reimbursements	0	0

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