

DCF Commissioner Ken Schatz
Testimony to Senate Appropriations Committee
Regarding 2015 BAA
January 28, 2015

DCF programs and services foster the healthy development, safety, well-being, and self-sufficiency of Vermonters. We do this through a wide variety of programs and services, administered through six programmatic divisions (represented by 13 separate sections of the appropriations bill). The programmatic divisions are:

- Child Development Division – child care, early childhood, and afterschool programs
- Economic Services Division – 3SquaresVT, General Assistance, LIHEAP, Reach Up
- Family Services Division – child protection, ongoing family support services, foster care and youth transitional services, adoption, juvenile justice
- Office of Child Support
- Office of Disability Determination Services
- Office of Economic Opportunity – homeless support services/shelters, anti-poverty/asset development programs, weatherization

Administration & Support Services

- LIHEAP admin
 - o Administration costs for this federal block grant are capped at 10%, so state general funds need to be increased to pay for admin costs.
 - o Total administrative cost is 13.4% of total appropriation
- Technical adjustment to true up federal and Global Commitment earnings – we are earning more federal dollars than budgeted
- ESD contract for Reach Up Medical Review Team – new contract
 - o Independent medical review of work deferments is required by last year's Reach Up legislation
- Transferred and new positions
 - o Recommended by Secretary Chen's report to the Governor on Strengthening DCF; allows DCF Commissioner to focus more on child protection by transferring some positions to DVHA or AHS Central Office
 - o Consolidate staff for Integrated Eligibility in AHS Central Office
 - o Create 10 positions (5 ESD, 3 FSD, 2 AAGs) to provide additional capacity to support child protection efforts and create middle management capacity in ESD



- VHC sustainability – prior position pilot to address work required of Health Access Eligibility Unit to support Vermont Health Connect; originally thought only needed 14 people, but we needed an additional 73 positions (funded by a reduction in the use temps)
- SHCRF (State Health Care Resources Fund) – this funding for the Exchange comes to us from DVHA through inter-departmental transfer
- Modifications to leases – BGS mandated costs for new leases

Family Services Division

- Position pilot – added new staff using Reach Up caseload savings to address urgent child protection needs
 - First pilot – approved after child fatalities; 18 of 27 are direct service social workers (17 hired); the other positions are Central Office support positions
 - Second pilot – created additional middle-management capacity
- Operating expenses – leases
- Position pilot Family Support Grants – funding was initially allocated to FSD, but grants are managed by CDD through grants to the Parent Child Centers
- Technical correction to shift TANF and GF funding – a transfer between CDD and FSD to comply with audit recommendations; complies with federal regulations on the use of TANF funds for foster children
- Surge in caseload/sub-adopt/child and family support grants – budgets are built on prior year caseload
 - Intakes have increased from 17,500 to 19,500
 - 20% increase in custody caseload (1,000 to 1,200)
 - Of children in custody, children 0-6 increased 37%
 - The overall cost per case went down even though the number went up because there are more young children
- Increase in caseload for DMH ISB waivers
 - High-needs children in FSD custody are served by the Designated Agencies through contracts with DMH
 - Individualized service budgets (ISBs) are used to meet the unique needs of these children
 - There has been an increase in cost per case and caseload
 - In 2013, there were 52 children on ISBs; there are currently 62 children on ISBs, at a daily rate that ranges from \$80-\$289



Child Development Division

- Transfer for Therapeutic Care Services
 - o Reflects DCF transfer to DMH to pay for Children's Integrated Services in Washington County
 - o Washington County is the only county in the state that is not currently providing bundled services; this will change next year

Office of Child Support

- Barre lease – BGS-mandated costs for leases

Aid to the Aged, Blind, and Disabled

- No changes

General Assistance

- Requesting \$600K increase in GA Emergency Housing
 - o Reflective of Cold Weather Exception – DCF provides emergency housing on cold nights consistent with Governor's commitment to provide shelter in cold conditions
 - o Increase in homelessness has impacted our budget – although the number of cold days decreased compared to last year, we have seen substantially greater numbers of people applying. A significant percentage of applicants are families with children
 - o The total GA budget has decreased from a high of \$4.5M in 2013 to \$3.2M currently
 - o We have addressed some of the need for housing through warming shelters; there are currently seven warming shelters operating in the state

3SquaresVT

- No changes
- Note: 3SquaresVT is 100% federally funded

Reach Up

- Transfers – movement of funds for position pilots previously mentioned in Administrative Services or FSD
- Housing case management
 - o DCF was previously using employment and training grants for SNAP (3SquaresVT) for housing case management services
 - o Auditors advised that this was not an eligible expense for these federal grants
 - o Rather than stop providing housing case management, we are requesting that this is funded by state GF
- Lund contract increase from 22 to 26 beds – given the increased needs of single parents with substance abuse issues, we needed to expand capacity at Lund



- Caseload savings – after using Reach Up caseload savings to meet other needs, there was a residual \$557K that we are booking as another savings based on consultant’s projections. This is over and above the position pilots
- One-time funding ARRA redistribution from the Administration of Children and Families
 - o We applied for \$1.6M in Reach Up grants in FFY’11, and were not funded; 3 months ago, several states had not used all the funding granted, so the balance was redistributed among states that had requested funding

Home Heating Fuel Assistance/LIHEAP

- Transfer from LIHEAP to Admin – requesting additional state funding for administration (referenced above in Administration & Support Services)
- LIHEAP caseload savings – we are booking \$1M in LIHEAP caseload savings, as 900 fewer households received benefits than we had projected

Office of Economic Opportunity

- No changes

Weatherization

- No changes

Woodside

- Two small technical corrections based on audit recommendations
- Teaching staff not eligible for Title I funding – Woodside is a high school, but Title I funding may not be used for existing staff, only for enhanced services
- Agency of Education Title I funding – inter-departmental transfer, using Title I funding for Sterns Center to provide services for students with learning disabilities (rather than teaching staff, as above)

Disability Determination Services

- Six new positions – the federal government has funded and approved positions to enhance ability to do disability determinations for SSI and Medicaid disability

