

## Memorandum

**To: Members of House Appropriation**  
**From: Ken Schatz, Commissioner**  
**Re: Follow-up to DCF's Budget Presentation**  
**Date: February 10, 2017**

Enclosed please find the additional information regarding DCF programs you requested at our budget presentation on February 2, 2017. If you have further questions about this material or need additional information, please contact [Judith.Rex@vermont.gov](mailto:Judith.Rex@vermont.gov) and she will assist you.

### Family Services Division (FSD)

#### Adoption Assistance Program

*How much do we spend on adopted children? What is required by federal regulation? What is the breakdown of federal and state funding on adoption support?*

Federal law and policy govern the Adoption Assistance Program. The following rules apply:

- Eligible children must have a special need as defined in section 473(c) of the Social Security Act
- Maximum amount of subsidy is the rate the child would have received if he or she remained in foster care
- Agreements must be negotiated individually, based on the needs of the child and the capacity of the family to meet those needs. Means testing is not permitted.

At this point in time, we have 2,135 open adoption assistance agreements. Not all agreements have monthly payments, but of those that do, payments range from \$100 to \$3,000. In FY 2016, Vermont spent a total of \$19,092,180 on adoption subsidies. The federal share represents 48% of the total; the state share 52%.

#### Children in custody

*What is the length of time children stay in custody by age group?*

As of Sept 30<sup>th</sup> 2016:

Age Range	Length of Time Open in Months			Grand Total
	0-12 Months	12-24 Months	24+ Months	
<b>0-5</b>	261	187	69	517
<b>6-11</b>	148	124	77	349
<b>12-17</b>	135	136	155	426
<b>18+</b>	6	10	15	31
<b>Grand Total</b>	<b>550</b>	<b>457</b>	<b>316</b>	<b>1,323</b>



## Child Development Division (CDD)

### **School Readiness Data**

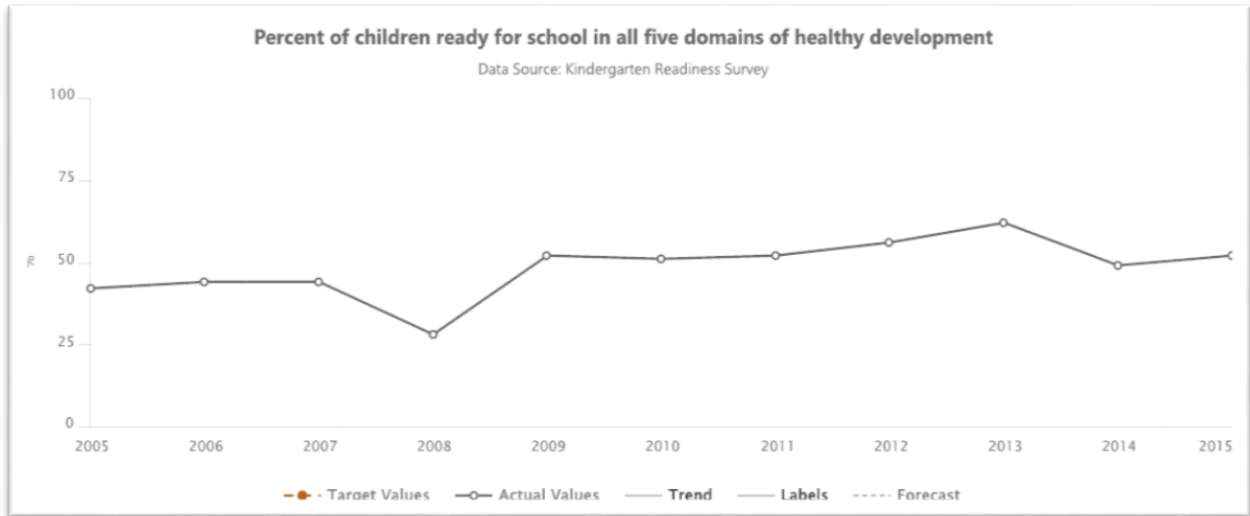
*What is the historical trend in school readiness for the last 10 years?*

Below is the historical trend (2005 – 2015) of the percent of kindergarten children ready for school in all five domains of healthy development using data from the Kindergarten Readiness Survey (KRS).

The five domains include:

- Social and emotional development
- Communication
- Physical health and wellness
- Cognitive development
- Approaches to learning

The scorecard notes that year-to-year comparisons may not be valid due to changing variables and methodologies.



This is particularly true in 2015-2016 when AOE implemented a new Ready for Kindergarten! Survey (R4K!S) that used a new instrument with different criteria and scoring. In this survey 80% of kindergarten children scored as ready. In their report (see link below), AOE specifically states comparisons between R4K!S data and previous years of KRS data “are not recommended or valid,” however the new survey creates a new baseline to track readiness going forward.

<http://education.vermont.gov/sites/aoe/files/documents/edu-early-education-ready-for-kindergarten-report.pdf>

### **CIS Child Care Consultation and New Leaf Funding**

*What are the outcomes for both programs? Which one is a better investment?*

The Children’s Integrated Service (CIS) model for Early Childhood and Family Mental Health (ECFMH) provides child care consultation and education (C&E) to build capacity to support children’s social and emotional development and guide behavior within all child care programs. This includes specialized child care programs who provide care to children in protective services, to children with special health needs and to families in crisis by offering family support and is intended to support stable, long-term placements with child care providers.



In Washington county, there are 84 licensed and registered child care programs with a specialized child care designation serving both typically developing children and 149 special needs children. Between December 2015 and June 2016, 24 children were asked to leave their child care program because the program could not meet their needs. These programs would benefit from more ECFMH C&E in-order-to build the capacity and skills to support children who may be experiencing social and emotional challenges in a child care setting. This approach has proven cost-effective in the other established CIS regions. This is the rationale to preserve and dedicate \$51,000 for ECFMH C&E to support a mental health consultant from Washington County Mental Health who could provide up to 2,080 hours of C&E services for child care providers across the region as Washington county becomes the final region to fully integrate services under CIS in SFY 18.

New Leaf is a high-quality program serving up to 16 children with significant special needs for a cost of \$493,346 (FY 16 projected expense). This translates into a cost of \$30,834 per child per year for a whole host of services for both the child and the family within the child care setting and at home, which would be costly to duplicate.

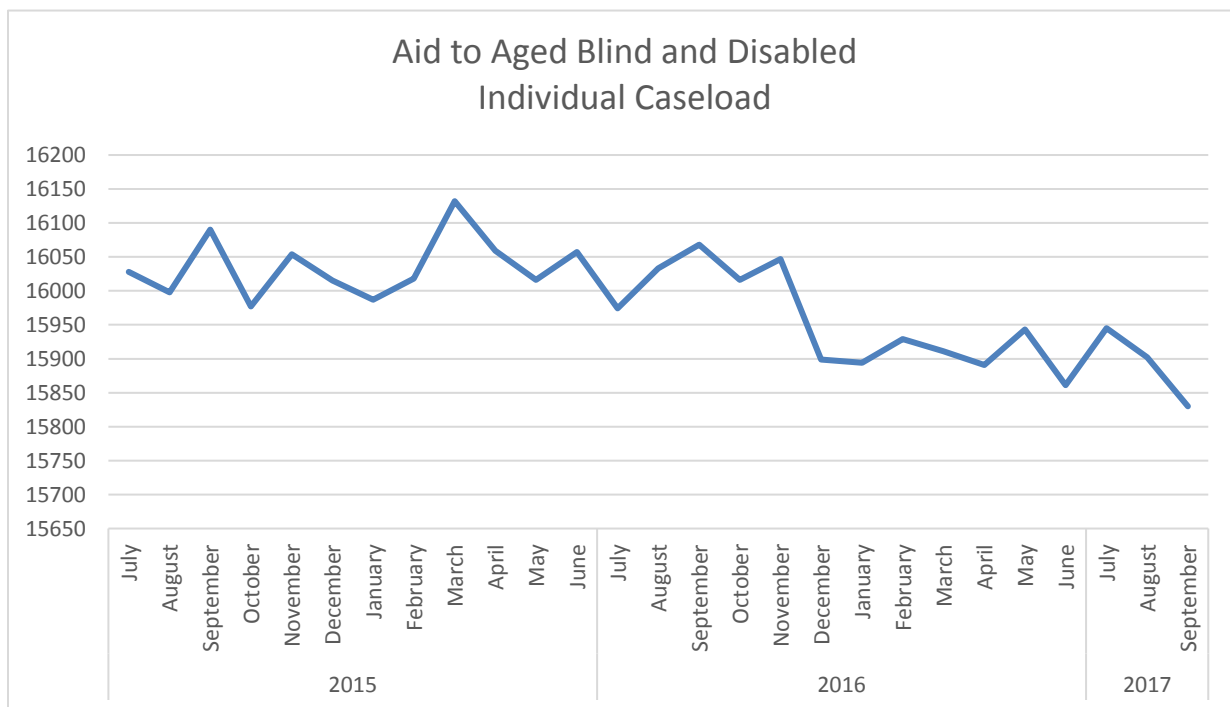
At this point in time, there is insufficient data demonstrating the differences between outcomes for children attending New Leaf and children attending specialized child care programs who received C&E services.

### Economic Services Division (ESD)

#### Aid to Aged, Blind and Disabled

*What is the caseload data for AABD?*

AABD is a supplement payment for SSI recipients. Part of SSI eligibility determination is based on whether or not an applicant expects to be out of work for one year. Additionally, for the portion of the applicant population that is working, if gross earnings are more than \$1,040 each month, applicants are ineligible. Similar to caseloads with Reach Up, 3SquaresVT, and LIHEAP, we have seen a decline over the past several years anecdotally attributable to the improving economy and decreasing unemployment rate.



**Impact of shift from motel vouchers to community-based shelters on District Office staff time**

Undertaking this analysis involves a manual review of data. We limited immediate analysis to the Burlington district office because it is one of our busiest districts and experiences a high level of walk-in traffic during the cold weather season. Here are results for the month of January, over a three-year period, for General Assistance related walk-ins:

- January 2015 – 1,526
- January 2016 – 917 (first season that included the Burlington cold-weather shelter)
- January 2017 – 677 (second season with a cold-weather shelter)

Please note that we will provide a subsequent analysis for St. Johnsbury, as well.

**VT Rental Subsidy Program (VRS) policy on prioritization**

The number of openings for the VRS program is determined by the funds appropriated for that fiscal year. If there are no openings in the program at the time the Department receives an application, the applicant will be placed on the VRS waiting list. The applicant’s position on the waiting list will be determined according to the following point system:

**Category Description and Points:**

Household Type		Household Size		Current Housing Situation		Source of Income	
Description	Points	Description	Points	Description	Points	Description	Points
<b>Reach Up/PSE Recipient</b>	20	1-2 persons	1	<b>GA/EA Temp. Housing</b>	10	<b>Employed</b>	10
<b>SSI Recipient</b>	15	3-4 persons	2	<b>Emergency shelter</b>	10	<b>RU/SSI</b>	10
<b>Below 125% of FPL</b>	10	5 or more	3	<b>Meets AHS def. of homeless</b>	4		

Points are assigned only once within each category. The maximum number of points is 43. Applicants with the highest number of points will receive priority for the next available VRS opening. If more than one applicant receives the same number of points, the applicant will be placed on the waiting list in the order of the time and date the application was received.

**Reach Up Projections**

*What projections were used to build the FY 18 Reach Up budget?*

See attached Black-Plumeau Report: **Attachment A.**

Please note that the numbers in this report do not match the narrative numbers in the ups and downs – however the BAA total reduction is correct and is based on this Black-Plumeau report. The narrative in the Reach Up section should read:

Total Reach Up (RU) and Reach Ahead (RA) Caseload Savings \$3,824,090. SFY17 budgeted caseload cost of \$27,037,010 - ~~\$23,212,920~~ \$23,315,161 = ~~\$3,824,090~~ \$3,721,848. (2018 RU cases: ~~4009~~ 4031 x \$475.21 CPC x 12 months = ~~\$22,861,403~~ \$22,986,858 2018 RA cases: ~~530~~ 495 x \$55.27 x 12 months = ~~\$351,517~~ \$328,303)



## **Reach Ahead Outcomes**

See **Attachment B**

### **Earned income disregard/allowance for 3SquaresVT and Reach Up (RU)**

*What are the current income disregard/allowance policies? What are the federal limits and is there room to expand?*

Two programs include an earned income disregard:

- 3SquaresVT allows for a 20% gross earned income disregard
- Reach Up - for each individual with earned income, RU allows for a flat \$250 disregard and 25% of the remaining earned income balance

Ability to expand earned income disregard:

- The 3SquaresVT (SNAP) gross earned income disregard of 20% is defined by federal regulation and cannot be changed at the State's discretion
- We have the capacity, contingent upon corresponding appropriations and rules changes, to change the RU earned income disregard

### **Fuel Assistance**

*What are the current discounts with fuel dealers? Have we lost fuel dealers?*

- Certified dealers who chose the Margin over Rack (MOR) pricing agreement receive a posted price equivalent to the average of four racks plus \$0.50
- Certified dealers who chose the Discount Off Retail (DOR) pricing agreement charge their retail price minus \$0.15 per gallon *in addition to* any "cash or prompt payment" incentive discount offered by the supplier
- We experienced a loss of 15 suppliers in the first year (2013-2014) the certification program went into effect. Remaining certified fuel suppliers have remained steady with the only change due to fuel dealer mergers or buyouts of smaller suppliers by larger companies.

### **LIHEAP**

*How has the loss of state dollars in LIHEAP impacted Vermonters?*

There is no base appropriation for household LIHEAP Crisis and Seasonal fuel benefits for households at >150% of the Federal Poverty Level (FPL). Currently, the LIHEAP program budgets its benefits for households at >150% FPL based on the amount of carry-forward in state funds from the previous State Fiscal Year (SFY), and the amount of exchanged funding with the Weatherization special fund (Wx). To the extent that funds carried-forward diminish, or the LIHEAP Block Grant decreases and affects the level of the Wx swap, budgeted benefits for households at >150% FPL may increase or decrease each season once caseload trends and fuel prices are considered.

## **Office of Economic Opportunity (OEO)**

### **Weatherization Program**

*What are the metrics used to track outcomes for the Weatherization Program? How does the program work with landlords?*

The Low-Income Home Weatherization Assistance Program uses client fuel records when modeling the



building to accurately depict the thermal characteristics of the home. This is a key component of the energy audit, which helps determine which measures are cost effective for the building. Estimated savings for each building is based on the modeling software which takes into account fuel usage/fuel type, existing insulation levels and proposed levels, existing air leakage rate and estimated post leakage rate, as well as heating equipment efficiency pre- and post- Weatherization among other diagnostic results from the audit. We feel confident the modeling used is a conservative estimate of energy savings.

The program does not track actual savings after Weatherization for two key reasons:

- 1) Vermont is a bulk fuel state with households typically using multiple fuel sources complicating the ability to get accurate fuel records/change in usage
- 2) To collect fuel records would be labor intensive and not yield useful data as referenced below

In past years, when funding allowed, OEO has funded an independent fuel study. The study attempted to use data from previously weatherized homes, but only a small percentage of homes had usable data for the study. This was due to the issues mentioned above (multiple fuel sources, multiple fuel dealers, canning, occupant lifestyle change, etc.)

In FY16, 47% of the homes Weatherized received LIHEAP (61% single-family buildings, 7% multi-family buildings).

The Low-Income Home Weatherization Assistance Program provides home energy audits and energy renovation at no cost when the residents of the home meet income eligibility requirements. In general, this includes health and safety measures that are completed at no charge and are required in advance of any building renovation work. For example, installing bathroom or kitchen exhaust ventilation, cleaning and tuning or repairing combustion appliances (hot water heaters, heating systems, gas ovens/ranges).

In the case of homes that are not owner-occupied and when the owner is not low income, the Weatherization program only covers energy savings measures. Health and safety measures must be completed and paid for by the landlord prior to weatherization services. In this way, the Weatherization Program acts as leverage to help improve the quality of low income rental housing. Landlords must also sign a rent stabilization agreement – that is, agree not to raise the rent during a fixed time period. If a landlord pays for heat, the rent stabilization agreement is for 3 years. If the tenant pays the heat, the rent stabilization agreement is for 1 year.

### **Woodside**

*What is the plan of action? What is the monthly cost of Woodside if we had to use GF dollars?*

The plan is to continue with our efforts to negotiate with CMS to regain funding of Medicaid dollars. If that proves unsuccessful, we will submit an alternative proposal for funding Woodside to the committee.

The total cost for Woodside in the SFY 18 budget is \$6.2 million. Woodside spends approximately \$518k per month.

## **Office of Disability Determination (DDS)**

### **Differences between states in making disability determinations**

Various factors can impact who files for disability and how disabled the applicant pool is. These factors can include: demographics; economics; services such as vocational rehabilitation, job training and return





to work supports; legal; and other assistance to applicants filing for disability. Other factors such as a state Disability Determination program's quality of training, quality management, public service orientation, staffing levels and experience have an impact on accuracy, processing speed, and allowance rates as well. All of these factors contribute to differences between states in making disability determinations.

