

**COUNTY OF MILWAUKEE**  
Inter-Office Communication

**Date:** January 15, 2016

**To:** Theodore Lipscomb, Sr., Chairman – Milwaukee County Board of Supervisors

**From:** Héctor Colón, Director, Department of Health and Human Services

**Subject:** Report from the Director, Department of Health and Human Services, requesting authorization to enter into 2016 contracts with the State of Wisconsin for Social Services and Community Programs

**Issue**

Sections 46.031 and 49.325 of the Wisconsin Statutes require counties to execute annual contracts with the State Departments of Health Services (DHS) and Children and Families (DCF) for “Social Services and Community Programs.” The contracts, also referred to as Community Aids, provide State and Federal funding for services provided by DHHS to persons with disabilities and juvenile delinquents and their families as mandated by State and/or Federal law.

County ordinances require that departments obtain authorization from the County Board in order to execute contracts. The Director, Department of Health and Human Services (DHHS), is therefore requesting authorization to sign the 2016 contracts with the State for the provision of social services mandated by state law. The county cannot receive 2016 revenues from the State until these contracts are signed.

**Background**

The single largest revenue source for DHHS are State and Federal funds that are forwarded to the Department under the Social Services state contract, commonly referred to as “Community Aids.” Revenues identified in this report fund programs in the Disabilities Services and Delinquency and Court Services Divisions (DSD) and (DCSD).

In 2016, Milwaukee County also will have separate contracts with the State Department of Administration for administration of the Wisconsin Home Energy Assistance Program (approved by the County Board in September 2014) and the Department of Corrections for Youth Aids.

The actual 2016 “Community Aids” contract for DHHS provides a 2016 allocation totaling \$15,019,021; this amount is (\$10,703) below the \$15,029,724 included in the DHHS 2016 Budget. This amount reflects a 1.0% reduction to BCA by the State.

## **State Allocations and Fiscal Effect**

### ***Community Aids – Basic County Allocation (BCA)***

The Basic County Allocation (BCA) is a type of block grant provided to counties that is not earmarked to serve a specific target population. Counties are able to determine how much funding to provide to each of the populations eligible to be served with these funds: persons with developmental disabilities, physical disabilities, and delinquent children.

The 2016 DHHS Budget includes \$10,112,048 of BCA for the Disabilities Services Division (DSD) and the Delinquency and Court Services Division (DCSD). As noted above, the State imposed a 1.0% reduction to BCA which decreases the allocation to DHHS by (\$10,703) to a new total of \$10,101,345.

### ***Background on Earmarked Revenue Sources***

The State's Social Services contract also contains revenue that is earmarked to specific programs. As part of this revenue stream, DCSD is scheduled to receive a total of \$392,545 for AODA Juvenile Justice, which is consistent with the DCSD 2016 Budget.

In addition, DSD is anticipated to receive a total of \$4,525,131 to fund its Birth-to-Three Program, Adult Protective Services, Children's COP and case management and administration of its Children's Long Term Support (CLTS) Program. This is in line with DSD's 2016 Budget.

Please note that the State utilizes a third party administrator (TPA) to pay for CLTS services costs. Although the State contract identifies specific allocations by service type to Milwaukee County totaling \$10,690,106, only revenues related to case management and administration – \$971,792 - are posted to the county's financial system and are included in DSD's 2016 Budget. Therefore, a total of \$9,780,478 is paid out directly by the TPA to providers and is not included in DSD's 2016 Budget.

Please see the table below for an itemization of all of the grants:

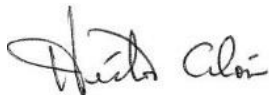
CY2016 State Social Services/Community Programs Revenue Notification Compared to the 2016 Budget						
CARS		2016 Budget Revenues		2016	2016	State
		DCSD	DSD	DHHS	State Notice	vs. DHHS
#	Basic County Allocation			Budget Total		Budget
561	DHS Basic County Allocation (BCA)				\$30,098,697	
561	DCF Basic County Allocation (BCA)				\$6,890,367	
681	DHS State BCA Match				\$3,306,999	
312	Adult Protective Services				\$426,335	
	<b>Subtotal DHS Community Aids Awards</b>	<b>\$6,195,223</b>	<b>\$3,916,825</b>	<b>\$10,112,048</b>	<b>\$40,722,398</b>	
	LESS BCA TO BHD				\$22,336,586	
	Allocation of 1.0% State BCA Cut to BHD				(\$21,406)	
	Family Care Contribution				\$8,305,873	
	<b>Subtotal Community Aids Allocations to BHD &amp; FC</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$30,621,053</b>	
	<b>Net BCA Revenue (Awards less Allocations)</b>	<b>\$6,195,223</b>	<b>\$3,916,825</b>	<b>\$10,112,048</b>	<b>\$10,101,345</b>	<b>(\$10,703)</b>
	<b>Earmarked Revenues</b>					
	<b>DHHS Earmarked Revenues</b>					
377	Child COP				\$930,182	\$930,182
550	Birth - 3 Prog (incl former Ch 1)		\$2,700,671	\$2,700,671	\$2,685,321	(\$15,350)
577	Family Support-DD Children		\$852,668	\$852,668	\$0	(\$852,668)
579	AODA Juvenile Justice	\$392,545		\$392,545	\$392,545	\$0
874	CLTS AUTISM GPR			\$0	\$2,954,070	\$2,954,070
875	CLTS AUTISM FED			\$0	\$4,109,703	\$4,109,703
880	CLTS AUT CWA ADMIN GPR		\$264,484	\$264,484	\$265,841	\$1,357
881	CLTS AUT CWA ADMIN FED		\$264,485	\$264,485	\$265,841	\$1,356
	<b>Subtotal CLTS Autism</b>	<b>\$0</b>	<b>\$528,969</b>	<b>\$528,969</b>	<b>\$7,595,455</b>	<b>\$7,066,486</b>
871	CLTS TPA OTHER GPR		\$442,823	\$442,823	\$1,203,590	\$760,767
872	CLTS TPA OTHER FED				\$1,674,435	\$1,674,435
877	CLTS OTHER CWA ADMIN GPR				\$108,313	\$108,313
878	CLTS OTHER CWA ADMIN FED				\$108,313	\$108,313
	<b>Subtotal CLTS Non-Autism</b>	<b>\$0</b>	<b>\$442,823</b>	<b>\$442,823</b>	<b>\$3,094,651</b>	<b>\$2,651,828</b>
	Subtotal DHHS Earmarked Revenues	\$392,545	\$4,525,131	\$4,917,676	\$14,698,154	\$9,780,478
	<b>SUB-TOTAL Revenue</b>	<b>\$6,587,768</b>	<b>\$8,441,956</b>	<b>\$15,029,724</b>	<b>\$24,799,499</b>	<b>\$9,769,775</b>
	* CLTS Autism & Non-Autism TPA Adjustment	\$0	\$0	\$0	(\$9,780,478)	(\$9,780,478)
	<b>Total State Contract Including CLTS TPA Adjustment</b>	<b>\$6,587,768</b>	<b>\$8,441,956</b>	<b>\$15,029,724</b>	<b>\$15,019,021</b>	<b>(\$10,703)</b>
<p>*The State utilizes a third party administrator (TPA) to pay for CLTS services costs. Although the State contract identifies specific allocations by service type to Milwaukee County totaling \$10,690,106, only revenues related to case management and administration – \$971,792 - are posted to the county's financial system and are included in DSD's 2016 Budget. Therefore, a total of \$9,780,478 is paid out directly by the TPA to providers and is not included in DSD's 2016</p>						

**Recommendation**

It is recommended that the County Board of Supervisors authorize the Director, Department of Health and Human Services, to execute the 2016 Social Services and Community Programs contracts from the State Departments of Health Services and Children and Families, and any addenda to those contracts, in order for the County to obtain the State Community Aids revenue. The 2016 Social Services and Community Programs contracts provide total revenue of \$15,019,021.

**Fiscal Impact**

A fiscal note form is attached.



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Héctor Colón, Director  
Department of Health and Human Services

cc: County Executive Chris Abele  
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County Supervisor Peggy Romo-West, County Board  
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