

**COUNTY OF MILWAUKEE**  
Inter-Office Communication

**Date:** November 13, 2019

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

**From:** Mary Jo Meyers, Director, Department of Health and Human Services  
*Prepared by: Clare O'Brien, Budget & Operations Manager, DHHS*

**Subject:** **Report from the Director, Department of Health and Human Services, requesting authorization to enter into a 2020 contract with the State of Wisconsin for Social Services and Community Programs**

**Issue**

Section 46.031 of the Wisconsin Statutes requires counties to execute an annual contract with the State Department of Health Services (DHS) for “Social Services and Community Programs.” The contract, also referred to as Community Aids, provides State and Federal funding for services provided by DHHS to persons with disabilities and their families as well as those in need of community support and prevention services 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 a 2020 contract with the State for the provision of social services mandated by state law. The county cannot receive 2020 revenues from the State until this contract is 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 Housing Divisions as well as Division of Youth and Family Services.

Milwaukee County has separate contracts with the State Department of Administration for administration of the Wisconsin Home Energy Assistance Program (approved under File No. 19-673 in September) and the Department of Children and Families (DCF) for Youth Aids (being considered under a separate report for this cycle).

The actual 2020 “Community Aids” contract for DHHS provides a 2020 allocation totaling \$12,370,321.

## **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 can 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 mental health issues.

The allocation is funded with 81 percent general purpose revenue (GPR), 12 percent federal Social Services Block Grant (SSBG), and 7 percent federal Temporary Assistance for Needy Family (TANF) funds. The preliminary 2020 basic county allocation award level is based on the estimated Federal Fiscal Year (FFY) 2020 SSBG award level; the actual award level depends on action by Congress for the FFY 2020 federal budget.

The 2020 DHHS Budget includes \$3,162,361 of BCA for DSD and Housing. Of this amount, about \$426,000 is designated for Adult Protective Services programming in DSD. The actual State allocation is \$3,143,542 which is about \$19,000 less than budgeted. The 2020 contract was slightly reduced based on estimated Social Service Block Grant funding.

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

The State's Social Services contract also contains revenue of nearly \$9.2 million that is earmarked to specific programs. As part of the earmarked revenues, DSD is anticipated to receive a total of \$2,685,321 to fund its Birth-to-Three Program, \$5,611,276 for the Children's Long-Term Support (CLTS) Program, and \$930,182 for the Children's Community Options Program (CCOP).

The State allocation for earmarked revenue is about \$1.5 million less than the 2020 Budget. About \$1.1 million of this difference is due to the 2020 base contract not including funds associated with the waitlist elimination for the Children's Long Term Support (CLTS) Program. Instead, these funds will be provided in the first quarter of 2020 according to the advisory notification from DHS. The 2020 amended contract is anticipated to be in line with the 2019 amended contract and 2020 Budget.

Over the last few years, State DHS has undertaken a statewide initiative to eliminate waitlists for CLTS and increase access and enrollment to services. Enrollment has now surpassed 10,000 children statewide. Based on 2019 projected enrollments, the number of Milwaukee County children enrolled in the waiver is expected to increase by 17 percent compared to 2017. Currently, about 1,000 children are currently enrolled in CLTS.

The remaining difference of about \$445,000 is due to AODA Juvenile Justice funding. These funds were included in the 2020 DHHS Budget but are not reflected in the State contract. These funds will be awarded separately in 2020.

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

CY2020 State Social Services/Community Programs Revenue Notification Compared to the 2019 Budget				
	2019 DHS Adjusted State Notice	2020 DHS State Notice	2020 DHHS Budget Total	2020 State Notice vs. 2020 DHHS Budget
<b>Basic County Allocation</b>				
DHS Basic County Allocation (BCA)	\$30,061,637	\$30,053,537		
DHS State BCA Match	\$3,306,999	\$3,306,129		
Adult Protective Services	\$426,335	\$426,335		
<b>Subtotal DHS Community Aids Awards</b>	<b>\$33,794,971</b>	<b>\$33,786,001</b>		
LESS BCA TO BHD	(\$22,336,586)	(\$22,336,586)		
Family Care Contribution	(\$8,305,873)	(\$8,305,873)		
Care	(\$30,642,459)	(\$30,642,459)		
<b>Net BCA Revenue (Awards less Allocations)</b>	<b>\$3,152,512</b>	<b>\$3,143,542</b>	<b>\$3,162,361</b>	<b>(\$18,819)</b>
<b>Earmarked Revenues</b>				
<b>DHHS Earmarked Revenues</b>				
Child COP	\$930,182	\$930,182	\$930,182	\$0
Birth - 3 Prog	\$2,685,321	\$2,685,321	\$2,685,321	\$0
Children's Long Term Support	\$7,145,969	\$5,611,276 <sup>1</sup>	\$6,698,699	(\$1,087,423)
AODA Juvenile Justice & Mental Health Block Grant	\$445,315	\$0 <sup>2</sup>	\$445,315	(\$445,315)
<b>Subtotal DHHS Earmarked Revenues</b>	<b>\$11,206,787</b>	<b>\$9,226,779</b>	<b>\$10,759,517</b>	<b>(\$1,532,738)</b>
<b>TOTAL STATE/COUNTY CONTRACT</b>	<b>\$14,359,299</b>	<b>\$12,370,321</b>	<b>\$13,921,878</b>	<b>(\$1,551,557)</b>

<sup>1</sup>The base CLTS allocation represents the county's waiver funding prior to the waitlist elimination initiative. CLTS waitlist elimination funding will be added to county allocations during the first quarter of Calendar Year 2020. The 2020 amended contract is anticipated to be in line with the 2019 amended contract.

<sup>2</sup>The AODA Juvenile Justice & Mental Health Block Grant was removed from the 2020 contract and will be awarded separately.

**Recommendation**

It is recommended that the Milwaukee County Board of Supervisors authorize the Director, Department of Health and Human Services, to execute the 2020 Social Services and Community Programs contract from the State Department of Health Services, and any addenda to this contract, in order for the County to obtain State Community Aids revenue. The 2020 Social Services and Community Programs contract provides total revenue of \$12,370,321.

**Fiscal Impact**

A fiscal note form is attached.

for

Mary Jo Meyers, Director

Department of Health and Human Services

cc: County Executive Chris Abele  
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