

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: September 6, 2011

TO: Supervisor Lee Holloway, Chairman – Milwaukee Co. Board of Supervisors

FROM: Geri Lyday, Interim Director, Department of Health and Human Services

SUBJECT: **Report from the Interim Director, Department of Health and Human Services, providing an informational report on program changes to meet budgeted appropriations related to the Milwaukee County General Assistance Burials Program**

Issue

The Interim Director, Department of Health and Human Services (DHHS), is providing an informational report on policy changes impacting the General Assistance (GA) Burials Program.

Background

Milwaukee County burial services are available to eligible Milwaukee County residents who do not meet the Wisconsin Funeral and Cemetery Aids Program (WFCAP) guidelines. WFCAP provides assistance to those who are Medicaid eligible or participating in Wisconsin Works (W2). Supplemental Security Income (SSI) and community-based waiver program recipients and children in foster care or kinship care are automatically eligible for a State-funded burial.

The General Assistance (GA) Burials program was part of the county's former General Assistance program and Milwaukee County is not mandated to provide it. However, we have continued to operate this program to provide an option for individuals to be afforded the opportunity to have burial, funeral or cremation services that they do not have the financial resources to pay for.

Eligibility to the GA Burials program requires Milwaukee County residency, financial eligibility based on 100% of federal poverty guidelines (\$10,890 for an individual) and a maximum estate, or combined assets, of \$1,500. Current policy provides assistance for up to \$1,500 as the combined cost for both the funeral and cemetery (burials or cremations) charges at a maximum cost of \$725 and \$775, respectively. Our experience has been that the average cost for cremation services is approximately \$300 per case.

The State's burial assistance program was operated by DHHS until the State took over the operation of Income Maintenance programs in 2010. As part of the contract executed with State Department of Health Services, a county employee performs eligibility for both the State and county burial assistance programs. As part of the 2011-2013 State Budget, this County position will be converted to a State position by January 2012. DHHS pays the State for approximately 25% of the cost of this position.

Burial Assistance is paid for by county tax levy budgeted in DHHS. The table below shows the total number of GA burial assistance cases, annual budgets and actual costs from 2006 through 2011 (projection).

Year	Total Burials	Monthly Burials	Annual Budget	Total Cost	Variance Bud/Act	Ave Cost Per Burial
2011 Projected	420	35	\$325,000	\$474,934	(\$149,934)	\$1,131
YTD 2011 (as of June)	210	35	\$325,000	\$237,467	\$87,533	\$1,131
2010	395	33	\$325,000	\$452,202	(\$127,202)	\$1,145
2009	388	32	\$325,000	\$441,621	(\$116,621)	\$1,138
2008	354	30	\$325,000	\$369,763	(\$44,763)	\$1,045
2007	298	25	\$325,000	\$345,899	(\$20,899)	\$1,161
2006	251	21	\$375,550	\$303,879	\$71,671	\$1,211
5-Yr Ave:	337	28		\$382,673		\$1,139

As shown in the table, actual costs in the program have exceeded the budget every year since 2007 and are projected to do so again in 2011. Based on projected costs for 2011, program expenditures will have increased 56% since 2006.

Policy Changes

Program guidelines have not been modified since 2003. At that time, the maximum assistance amount was reduced from \$2,500 to \$1,500 to reduce costs to the program.

In order to remain within the county's approved budgets, DHHS plans to reduce the assistance amount from a maximum of \$1,500 to 1) \$1,000 for funeral/burials (\$500 for a funeral and \$500 for a burial) or 2) an \$800 maximum for funeral/cremations (\$500 for a funeral and \$300 for a cremation). In addition, the requirement on the maximum estate allowable to qualify for the program would be reduced from \$1,500 to \$1,000.

The GA Burials Program also handles a small number of unclaimed decedents in which there are no next of kin. In these cases, the Medical Examiner makes a referral to the GA Burials Program. So far in 2011, the program has processed seven unclaimed cases. The department is recommending that the policy guidelines be changed to require cremations only on unclaimed deceased persons. This will provide a cost savings per case of \$475, which reflects \$300 per cremation compared to the existing cost of \$775 for a burial.

As can be noted from the chart above, GA burial costs have continued to rise yearly. If the Department continued at the current funding level, there would be approximately a \$150,000 deficit in this program for 2011. The Department discussed several different options and had a discussion with the Medical Examiner's office regarding the potential impact of implementing several of the options being explored. The Medical Examiner's office is extremely concerned about the potential for an increase in unclaimed bodies if the budget were capped and we

continue to reimburse at the higher amount. The Medical Examiner's office refers a significant number of individuals to the county's burial program for financial assistance with funeral/burial services, particularly in cases when the person or family indicates they have no financial means to remove individuals from the county mortuary. Therefore, we are employing a strategy that reduces the amount of the payment in order to continue offering the services. The 2012 Requested Budget increases the burial account by \$60,000 to try and accommodate some of the increased demand.

Based on these policy changes, the county will be issuing updated price agreements with GA burials vendors. The department will monitor the fiscal impact of these policy changes on an ongoing basis. If costs are still anticipated to exceed the budget, the department may explore the option of issuing a request for proposal (RFP) in an effort to further control costs over the long term while ensuring services are maintained for those who need it.

Fiscal Effect

The policy changes identified in the report will allow the GA Burials Program to manage GA Burials costs in future budgets. The reduced assistance amount of \$1,000 for funeral/burial and \$800 for funeral/cremation is expected to reduce costs by \$120,000 to \$130,000 annually.

Recommendation

This report is informational only.



Gerri Lyday, Interim Director
Department of Health and Human Services

Attachment

cc: County Executive Chris Abele
Tia Torhorst, County Executive's Office
Patrick Farley, Administrator - DAS
Terrence Cooley, Chief of Staff – County Board
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Antionette Thomas-Bailey, Fiscal and Management Analyst, DAS
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