

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: December 10, 2014

TO: Supervisor Marina Dimitrijevic, Chairwoman – Milwaukee County Board

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 2015 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 2015 contracts with DHS and DCF for the provision of social services mandated by state law. The county cannot receive 2015 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 2015, 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.

At this time, DHHS has not received the actual 2015 “Community Aids” contract from the State. However, DHHS has received an advisory notification of 2015 allocations totaling \$28,477,534, and this has been utilized to identify the fiscal effect of the expected contract. Allocations are posted at:

<http://www.dhs.wisconsin.gov/sca/> and http://www.dcf.wi.gov/contractsgrants/social_human_services_contracts

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 2015 DHHS Budget includes \$9,685,713 of BCA for the Disabilities Services Division (DSD) and the Delinquency and Court Services Division (DCSD). This amount is consistent with the State Allocation of BCA to Milwaukee County.

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 anticipated to receive a total of \$400,000 for AODA Juvenile Justice. This grant has traditionally supported personnel (administrative coordinator and clerical staff) and all costs associated with AODA assessments and treatment through the fee-for-service network and related expenses. The preliminary State notification reflects a contract amount of \$400,000 which is consistent with the 2015 Budget.

In addition, DSD is anticipated to receive a total of \$4,983,116 to fund its Birth-to-Three Program, Adult Protective Services, Family Support Program and case management and administration of its Children's Long Term Support (CLTS) Program. This is consistent with DSD's 2015 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 \$14.4 million, only revenues related to case management and administration, anticipated to be \$971,792, are posted to the county's financial system and are included in the 2015 Budget. Therefore, a total of \$13,408,705 is paid out directly by the TPA to providers and is not included in DSD's 2015 Budget.

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

CY2015 State/County Social Services Contract					
Preliminary Revenue Notification Compared to the 2015 Budget					
	2015 Budget Revenues		2015 DHHS Budget Total	2015 Preliminary State Notice	State vs. DHHS Budget
Basic County Allocation	DCSD	DSD			
Total DHHS BCA	\$6,195,223	\$3,490,490	\$9,685,713	\$9,685,713	\$0
Earmarked Revenues					
DHHS Earmarked Revenues					
AODA Juvenile Justice	\$400,000		\$400,000	\$400,000	\$0
Community Options Program		\$47,000	\$47,000	\$47,000	\$0
Adult Protective Services		\$426,335	\$426,335	\$426,335	\$0
Family Support-DD Children		\$852,668	\$852,668	\$852,668	\$0
Birth - 3 Program		\$2,685,321	\$2,685,321	\$2,685,321	\$0
Children's Long-Term Support (CLTS) Autism & Non-Autism Total		\$971,792	\$971,792	\$14,380,497 ¹	\$13,408,705
CLTS TPA Adjustment			\$0	(\$13,408,705)	(\$13,408,705)
Subtotal DHHS Earmarked Revenues	\$400,000	\$4,983,116	\$5,383,116	\$5,383,116	\$0
Total State Contract Including CLTS TPA Adjustment			\$13,408,705	\$13,408,705	\$0
GRAND TOTAL	\$6,595,223	\$8,473,606	\$28,477,534	\$28,477,534	\$0

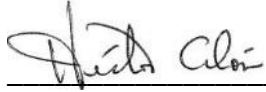
¹The State utilizes a third party administrator (TPA) to pay for service costs associated with the CLTS program. Although the State contract identifies specific allocations by service type which total \$14,380,497, only \$971,792 related to case management and administration performed by the Disabilities Services Division is posted to the county's financial system and included in the DHHS Budget. The remaining \$13,408,705 is paid out directly by the TPA to providers.

Recommendation

It is recommended that the County Board of Supervisors authorize the Director, Department of Health and Human Services, to execute the 2015 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 2015 Social Services and Community Programs contracts provide total revenue of \$28,477,534.

Fiscal Impact

A fiscal note form is attached.



Héctor Colón, Director
Department of Health and Human Services

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