

**COUNTY OF MILWAUKEE**  
Inter-Office Communication

**Date:** January 6, 2017

**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 2017 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 2017 contracts with the State for the provision of social services mandated by state law. The county cannot receive 2017 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).

Milwaukee County has separate contracts with the State Department of Administration for administration of the Wisconsin Home Energy Assistance Program (approved under File No. 15-660 in November 2015) and the Department of Children and Families for Youth Aids (approved under File No. 16-687 in December).

The actual 2017 “Community Aids” contract for DHHS provides a 2017 allocation totaling \$19,287,628; this amount is approximately \$5.6 million below the \$24.9 million included in the DHHS 2017 Budget. This reduction is the result of a change in the administration of the autism benefit formerly included in the Children’s Long Term Support (CLTS) Waiver Program. Autism treatment services are now covered by the Medicaid card benefit and are no longer part of the State/County contract. Children receiving services previously from the County have been

converted to the Medicaid card service which is now administered by the State. Therefore, there will also be a reduction in service expenses.

### **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 2017 DHHS Budget includes \$10,112,048 of BCA for the Disabilities Services Division (DSD) and the Delinquency and Court Services Division (DCSD). The actual allocation is \$10,062,873 which is about \$49,000 less than budgeted. The 2017 contract was slightly reduced across the board due to cuts in the Social Service Block Grant funding.

#### ***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 2017 Budget.

In addition, DSD is anticipated to receive a total of \$4,041,838 to fund its Birth-to-Three Program, Adult Protective Services, and Children's COP. This is in line with DSD's 2017 Budget.

As mentioned previously, the State notice reflects a reduction of about \$5.6 million due to the transition of autism treatment now being covered by Medicaid.

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

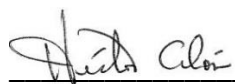
	2017 Budget Revenues		2017	2017	State
	DCSD	DSD	DHHS		vs. DHHS
<b>Basic County Allocation</b>			Budget Total	State Notice	Budget
DHS Basic County Allocation (BCA)	\$0	\$0	\$0	\$30,081,630	
DCF Basic County Allocation (BCA)	\$6,195,223	\$3,490,490	\$9,685,713	\$6,890,368	
DHS State BCA Match	\$0	\$0	\$0	\$3,306,999	
Adult Protective Services	\$0	\$426,335	\$426,335	\$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>\$40,705,332</b>	
LESS BCA TO BHD				(\$22,336,586)	
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>(\$30,642,459)</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>\$10,062,873</b>	<b>(\$49,175)</b>
<b>Earmarked Revenues</b>					
<b>DHHS Earmarked Revenues</b>					
Child COP	\$0	\$930,182	\$930,182	\$930,182	\$0
Birth - 3 Prog	\$0	\$2,685,321	\$2,685,321	\$2,685,321	\$0
AODA Juvenile Justice	\$392,545	\$0	\$392,545	\$392,545	\$0
	\$0	\$0			
CLTS - Autism	\$0	\$5,265,137	\$5,265,137	\$2,636,677	(\$2,628,460)
CLTS Non-Autism	\$0	\$5,496,936	\$5,496,936	\$2,580,030	(\$2,916,906)
<b>Subtotal DHHS Earmarked Revenues</b>	<b>\$392,545</b>	<b>\$14,377,576</b>	<b>\$14,770,121</b>	<b>\$9,224,755</b>	<b>(\$5,545,366)</b>
<b>TOTAL STATE/COUNTY CONTRACT</b>	<b>\$6,587,768</b>	<b>\$18,294,401</b>	<b>\$24,882,169</b>	<b>\$19,287,628</b>	<b>(\$5,594,541)</b>

### Recommendation

It is recommended that the County Board of Supervisors authorize the Director, Department of Health and Human Services, to execute the 2017 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 2017 Social Services and Community Programs contracts provide total revenue of \$19,287,628.

### Fiscal Impact

A fiscal note form is attached.



Héctor Colón, Director  
Department of Health and Human Services

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