

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: December 29, 2017

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

From: Jeanne Dorff, Interim Director, Department of Health and Human Services
Prepared by: Clare O'Brien, Senior Budget Analyst, DHHS

Subject: **Report from the Interim Director, Department of Health and Human Services, requesting authorization to enter into a 2018 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 Interim Director, Department of Health and Human Services (DHHS), is therefore requesting authorization to sign a 2018 contract with the State for the provision of social services mandated by state law. The county cannot receive 2018 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.

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 (DCF) for Youth Aids (being considered under a separate report in January 2018).

The actual 2018 "Community Aids" contract for DHHS provides a 2018 allocation totaling \$12,262,063; this amount is approximately \$264,000 above \$11,997,733 included in the DHHS 2018 Budget. The 2018 contract amount is also about \$257,000 higher than the 2017 contract amount. This is due to additional funding received from State DHS for the Children's Long Term Support (CLTS) Waiver Program.

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 mental health issues.

Previously, the DHS Community Aids contract included \$6.9 million in basic county allocation (BCA) funding for children and families. This funding is now included in the Youth Aids contract with the Department of Children and Families (DCF) and is identified in a separate report seeking approval of the Youth Aids contract for the January cycle.

The 2018 DHHS Budget includes \$3,172,505 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 \$3,162,361 which is about \$10,000 less than budgeted. The 2018 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 of approximately \$9.1 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, \$5,484,199 for the Children's Long Term Support Program (autism and non-autism services) and \$930,182 for the Children's Community Options Program (CCOP). The State allocation is about \$264,000 higher than the 2018 Budget due to additional funding for services under the CLTS Program.

In previous years, the State contract included an allocation for AODA Juvenile Justice funding for the Delinquency and Court Services Division (DCSD). These funds are now received by counties through an application process and therefore, are not identified in the State/County contract. In 2017, DCSD received approximately \$400,000 for this program and anticipates a similar amount for 2018.

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

	2017 DHS State Notice	2018 Budget Revenues		2018 DHHS Budget Total	2018 DHS State Notice	2018 State DHS vs. 2018 DHHS Budget	2017 DHS Notice vs. 2018 DHS Notice
		Housing	DSD				
Basic County Allocation							
DHS Basic County Allocation (BCA)	\$30,081,630	\$1,500,000	\$1,246,170	\$2,746,170	\$30,071,486		(\$10,144)
DHS State BCA Match	\$3,306,999	\$0	\$0	\$0	\$3,306,999		\$0
Adult Protective Services	\$426,335	\$0	\$426,335	\$426,335	\$426,335		\$0
Subtotal DHS Community Aids Awards	\$33,814,964	\$1,500,000	\$1,672,505	\$3,172,505	\$33,804,820	\$0	(\$10,144)
LESS BCA TO BHD	(\$22,336,586)				(\$22,336,586)		\$0
Family Care Contribution	(\$8,305,873)				(\$8,305,873)		\$0
Subtotal Community Aids Allocations to BHD & FC	(\$30,642,459)				(\$30,642,459)		\$0
Net BCA Revenue (Awards less Allocations)	\$3,172,505	\$1,500,000	\$1,672,505	\$3,172,505	\$3,162,361	(\$10,144)	(\$10,144)
Earmarked Revenues							
DHHS Earmarked Revenues							
Children Community Options Program (CCOP)	\$930,182		\$930,182	\$930,182	\$930,182	\$0	\$0
Birth - 3 Program	\$2,685,321		\$2,685,321	\$2,685,321	\$2,685,321	\$0	\$0
Children's Long Term Support	\$5,216,707		\$5,209,725	\$5,209,725	\$5,484,199	\$274,474	\$267,492
Subtotal DHHS Earmarked Revenues	\$8,832,210	\$0	\$8,825,228	\$8,825,228	\$9,099,702	\$274,474	\$267,492
							\$0
TOTAL STATE/COUNTY CONTRACT	\$12,004,715	\$1,500,000	\$10,497,733	\$11,997,733	\$12,262,063	\$264,330	\$257,348

Recommendation

It is recommended that the Milwaukee County Board of Supervisors authorize the Interim Director, Department of Health and Human Services, to execute the 2018 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 2018 Social Services and Community Programs contract provides total revenue of \$12,262,063.

Fiscal Impact

A fiscal note form is attached.



Jeanne Dorff, Interim Director
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