

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: February 19, 2021

To: Sup. Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

From: Shakita LaGrant-McClain, 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 2021 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.

Departments must obtain authorization from the County Board in order to execute contracts in excess of \$300,000. The actual 2021 "Community Aids" contract for DHHS provides a 2021 allocation totaling \$16,863,402. The Director, Department of Health and Human Services (DHHS), is, therefore, requesting authorization to sign a 2021 contract with the State for the provision of social services mandated by state law. The county cannot receive 2021 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 Aging, Disabilities Services and Housing Divisions. Prior to 2021, the State DHS issued a separate contract with Aging for these revenues. With the integration of the Department on Aging as a division within DHHS starting in 2021, these revenues are now combined under one State/County contract. After issuing an initial base State/County contract for 2021, DHS then issued an amendment in early January to include Aging's revenue sources which are reflected in this report and attached resolution.

DHHS also holds separate contracts with the State Department of Administration for administration of the Wisconsin Home Energy Assistance Program (approved under File No. 18-634) and the Department of Children and Families (DCF) for Youth Aids (approved under File No. 20-875).

Discussion***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, mental health issues and older adults.

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 2021 basic county allocation award level is based on the estimated Federal Fiscal Year (FFY) 2021 SSBG award level; the actual award level depends on action by Congress for the FFY 2021 federal budget.

The 2021 DHHS Budget includes \$5,350,309 of BCA for DSD, Aging and Housing. The actual State allocation is \$5,376,697 which is about \$26,000 more than budgeted.

Background on Earmarked Revenue Sources

The State's Social Services contract also contains revenue of \$11,486,705 that is earmarked to specific programs. Compared to the 2021 budget, this amount is about \$200,000 higher primarily due to additional administration revenue to offset the cost of operating the Children's Long Term Support (CLTS) Program.

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. In Milwaukee County, the program has been adding an average of 20 new cases per month and total cases have increased by 16 percent over 2019. The projected estimate for 2021 assumes the number of cases will increase 20 percent over 2020. Currently, about 1,200 children are currently enrolled in CLTS.

The State Department of Health Services (DHS) is transitioning CLTS to a statewide budgeting & waitlist management system starting in 2021. As a result, funding will be distributed by the State based on the number of active cases in each county. The State will fully cover the CLTS expenditures centrally for each county and service costs are no longer reflected on each county's contract. The only revenue that is now reflected is the 7 percent administration revenue which offsets DSD's administrative costs.

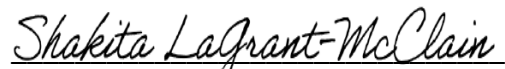
Please see the attached table which provides an itemization of all of the grants under this contract.

Recommendation

It is recommended that the Milwaukee County Board of Supervisors authorize the Director, Department of Health and Human Services, to execute the 2021 Social Services and Community Programs contract with the State Department of Health Services, and any addenda to this contract, to allow DHHS to receive revenue to support its budget.

Fiscal Impact

The 2021 State Social Services and Community Programs contract which includes BCA and earmarked revenues totals \$16,863,402 and reflects an increase of \$204,816 compared to the 2021 Adopted DHHS Budget. A fiscal note form is attached.



Shakita LaGrant-McClain, Director
Department of Health and Human Services

Attachment (1)

cc: County Executive David Crowley
Sup. Jason Haas, Chair, Finance Committee
Chair, Health & Human Needs Committee
Mary Jo Meyers, County Executive's Office
Julie Landry, DAS Director
Kelly Bablitch, County Board
Steve Cady, Research and Policy Director – Comptroller's Office
Pam Matthews, Budget Analyst - DAS