

# Budget Brief – Department of Human Services

NUMBER DHS – 08-01

## THE DEPARTMENT OF HUMAN SERVICES

The Department of Human Services under Section 62A of the UCA administers various social services programs in the State of Utah.

DHS includes the following entities:

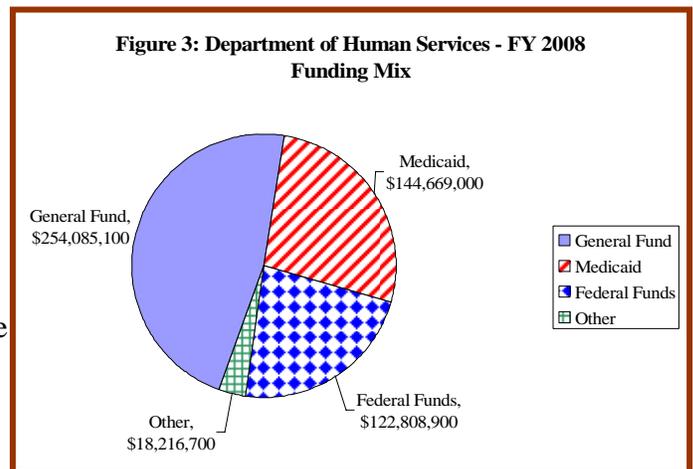
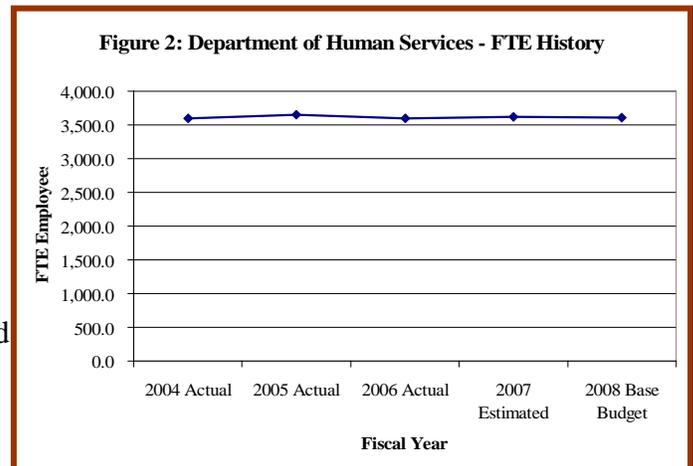
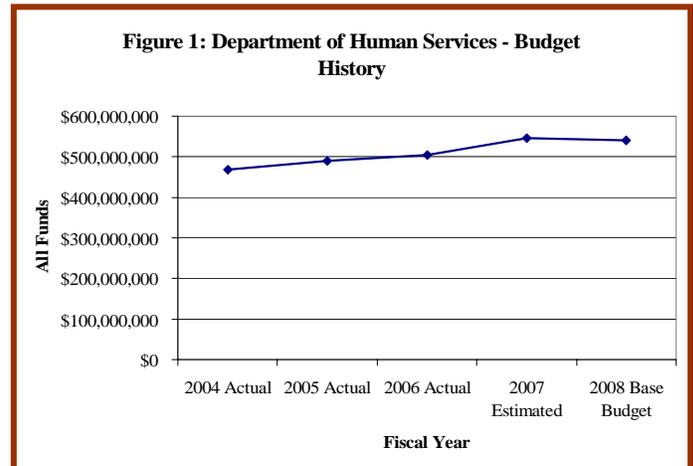
1. Executive Director Operations
2. Drug Courts/Drug Boards
3. The Division of Substance Abuse and Mental Health
4. The Division of Services for People with Disabilities
5. The Office of Recovery Services
6. The Division of Child and Family Services
7. The Division of Aging and Adult Services
8. The Division of Juvenile Justice Services

While DJJS is part of the Department of Human Services, its budget is reviewed in the Executive Offices and Criminal Justice Appropriations Subcommittee, therefore its budget is not a part of this budget brief.

Two divisions’ programs are operated at the county level under the direction of the Division of Aging and Adult Services and the Division of Substance Abuse and Mental Health.

DHS also operates two internal service funds providing services used by various divisions in the Department. Their budget is not a part of these numbers but will be handled in Budget Brief DHS-08-09.

The FY 2008 recommended base budget totals \$539,779,700 including \$254,085,100 (47 percent) from General Funds. The General Fund figure includes a reduction of \$1,991,700 based on the Federal Medical Assistance Percentages (FMAP) rate change for FY 2008. Other major funding sources include federal Medicaid of \$144,669,000 (27 percent), other federal funds of \$122,808,900 (23 percent), dedicated credits of \$9,041,900 (2 percent) and other funding sources totaling \$9,174,800.



**LEGISLATIVE ACTION**

The Executive Appropriations Committee requests that the subcommittee adopt base budgets for each agency under the subcommittee’s purview, fund subcommittee priorities by reallocating revenue among programs, and provide a prioritized list of desired items for funding. The subcommittee should consider the following items in its deliberations:

**Base Budget Adoption**

Adoption of a base budget enables programs to continue for the next fiscal year at relatively the same budget level as the current fiscal year. Some changes in base budgets may occur, namely, non-state fund increases or decreases (i.e. federal funds, transfers, dedicated credits and non-lapsing balances) and program shifts within a line item. The base budget detail for each division of the Department of Human can be found in the individual budget briefs as noted on the table to the right:

Department of Human Services	
Budget Briefs	
Title	Reference Number
Department of Human Services	DHS-08-01
Executive Director of Operations	DHS-08-02
Drug Courts/Boards	DHS-08-03
Division of Substance Abuse and Mental Health	DHS-08-04
Division of Services for People with Disabilities	DHS-08-05
Office of Recovery Services	DHS-08-06
Division of Child and Family Services	DHS-08-07
Division of Aging and Adult Services	DHS-08-08
Department of Human Services - Internal Service Funds	DHS-08-09

**FMAP Rate Change**

The Federal Medical Assistance Percentages (FMAP) represents the federal share of the programmatic costs for Medicaid. The Medicaid Program utilizes a formula to determine the annual percent of medical assistance based on a rolling three year average of per capita income levels compared to the national average. By law the FMAP rate cannot be lower than 50 percent or higher than 83 percent. The projected FMAP rate for FY 2008 is 71.26 percent which represents an increase of 0.96 percent from the FY 2007 FMAP rate (Note: the rates are adjusted to reflect the state fiscal year). The following table shows the impact of the FMAP rate change for FY 2008:

FMAP Rate Calculations				
	Change in FMAP Rate	Total Reduction GF Due to FMAP Change	Offset to Federal IV-E Funds	Offset to Title XIX Medicaid Funds
State Hospital	-0.96%	(\$127,300)		\$127,300
DSPD	-0.96%	(\$1,596,200)		\$1,596,200
DCFS	-0.96%	(\$239,200)	\$99,800	\$139,400
DAAS	-0.96%	(\$29,000)		\$29,000
<b>Total</b>		<b>(\$1,991,700)</b>	<b>\$99,800</b>	<b>\$1,891,900</b>

**Funding Requests for Consideration**

The following table shows the General Fund budgetary requests of DHS prior to the Governor’s recommendations: The programmatic needs will be discussed by the Analyst in the respective issue briefs.

Department of Human Services FY 2008 Ongoing Budget Requests								
Description	Issue Brief	Drug Court	DSAMH	DSPD	ORS	DCFS	DAAS	Total
Substance Abuse Treatment Women/Children	DHS-08-06		2,525,600					2,525,600
Loss of Incentive Funds as State Match	DHS-08-11				1,820,600			1,820,600
Child Abuse/Neglect Caseworkers	DHS-08-14					1,525,700		1,525,700
Client Mandated Additional Needs (Waiver Prog)	DHS-08-08			1,200,000				1,200,000
Mental Health Services	DHS-08-05	2,715,200						2,715,200
Nursing Home Prevention (Waiver Program)	DHS-08-15					340,000		340,000
Disabilities Waiting List	DHS-08-09			2,000,000				2,000,000
Medical Care/Prescription Cost USH	DHS-08-07		513,700					513,700
Meals on Wheels	DHS-08-16					146,000		146,000
Additional Drug Court Treatment Slots	DHS-08-04	2,475,000						2,475,000
Long Term Care Ombudsman Services	DHS-08-17					220,000		220,000
Local Provider COLA 1%	Comp Pkg.		264,500				55,500	320,000
Private Provider COLA 1%	Comp Pkg.			310,300		364,900		675,200
Local Operating Expense Provider COLA	DHS-08-03		205,000				92,700	297,700
Private Operating Expense Provider COLA	DHS-08-03			240,500		508,000		748,500
<b>Y 2008 Total Ongoing General Fund Requests</b>		<b>\$2,475,000</b>	<b>\$6,224,000</b>	<b>\$3,750,800</b>	<b>\$1,820,600</b>	<b>\$2,398,600</b>	<b>\$854,200</b>	<b>\$17,523,200</b>

Department of Human Services FY 2008 One-time Budget Requests							
Description	Drug Court	DSAMH	DSPD	ORS	DCFS	DAAS	Total
Supported Employment Pilot	DHS-08-10		150,000				150,000
Disability Family Preservation Program	HB 47 & 49		500,000				500,000
David C. Court Monitor	DHS-08-13				269,500		269,500
Child Support Child Routing System	DHS-08-12			442,000			442,000
Senior Transportation Ride Share Pilot	DHS-08-18					55,000	55,000
<b>Y 2008 Total One-time General Fund Requests</b>	<b>\$0</b>	<b>\$0</b>	<b>\$650,000</b>	<b>\$442,000</b>	<b>\$269,500</b>	<b>\$55,000</b>	<b>\$916,500</b>

Department of Human Services FY 2007 One-time Supplemental Budget Request							
Description	Drug Court	DSAMH	DSPD	ORS	DCFS	DAAS	Total
Medical Care/Prescription Cost USH	DHS-08-07		435,000				435,000
<b>Total Supplemental One-time General Fund Requests</b>	<b>\$0</b>	<b>\$435,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$435,000</b>

**Adoption of Fees**

The following table shows the proposed fee rates for FY 2008:

<b>Department of Human Services FY 2008 Proposed License Fees</b>				
	<b>Current Fee</b>	<b>Changes for FY 07</b>	<b>Estim.# Licenses</b>	<b>Estimated Revenues</b>
Initial-new program*	\$300.00	no chg	50	\$15,000
Adult Day Care (0-50)	100.00	no chg	12	1,200
Adult Day Care per cap	3.00	no chg	250	750
Adult Day Care (50+)	200.00	no chg	1	200
Child Placing	250.00	no chg	60	15,000
Day Treatment	150.00	no chg	150	22,500
Outpatient Treatment	100.00	no chg	225	22,500
Residential Support	100.00	no chg	70	7,000
Residential Treatment	200.00	no chg	225	45,000
Residential Treatment per cap	3.00	no chg	3,900	11,700
Social Detoxification	200.00	no chg	10	2,000
Life Safety Pre-inspection	200.00	no chg	50	10,000
Outdoor Youth Program	300.00	no chg	9	2,700
Outdoor Youth Program per cap	5.00	no chg	628	3,140
Intern. Secure Treatment	250.00	no chg	5	1,250
Intern. Secure Treatment per cap	3.00	no chg	200	600
FBI Fingerprint Checks **	24.00	no chg	1,000	24,000
Therapeutic Schools ***	200.00	no chg	5	1,000
Therapeutic Schools per person***	3.00	no chg	200	600
<b>Total Estimated Revenues for FY 2007</b>				<b>\$186,140</b>

\* Except comprehensive mental health, substance abuse.  
 \*\* Fees collected for the FBI fingerprint checks are passed through to the FBI.  
 \*\*\* New fee per S.B. 107, "Licensure and Regulations of Programs and Facilities"

**Reallocation of Internal Service Funds**

DHS has requested that \$57,800 of FY 2007 Internal Service Funds (ISF) for the Risk Management Liability Premiums are reallocated to the appropriate programs within DHS for FY 2008 as shown below:

- DSAMH- Administration – (\$700)
- Utah State Hospital – (\$16,500)
- DSPD Administration – (\$12,500)
- DCFS Administration – 57,800
- DJJS Administration – (\$28,100)

**Federal Funds**

The federal funds for DHS are shown in Issue Brief DHS-08-01.

**Intent Language**

The Intent language for DHS will be discussed in Issue Brief DHS-08-02.

**Reports Required by Statute or Intent Language**

DHS has six reports required by Statute or Intent Language which can be found in the Human Services Reports Tab # 31, Appendices A-F.

**BUDGET DETAIL**

The table on the following page is a budget history for the Department of Human Services including the base budget for adoption:

Human Services						
Sources of Finance	FY 2006 Actual	FY 2007 Appropriated	Changes	FY 2007 Revised	Changes	FY 2008* Base Budget
General Fund	219,780,800	256,076,800	0	256,076,800	(1,991,700)	254,085,100
General Fund, One-time	14,138,500	2,818,300	0	2,818,300	(2,818,300)	0
Federal Funds	117,886,100	119,978,700	4,643,500	124,622,200	(1,813,300)	122,808,900
Dedicated Credits Revenue	7,938,700	9,090,900	(18,900)	9,072,000	(30,100)	9,041,900
GFR - Children's Trust	400,000	400,000	0	400,000	0	400,000
GFR - Domestic Violence	712,200	734,800	0	734,800	0	734,800
GFR - Intoxicated Driver Rehab	1,500,000	1,500,000	0	1,500,000	0	1,500,000
GFR - Tobacco Settlement	1,647,200	1,647,200	0	1,647,200	0	1,647,200
GFR - Trust for People with Disabilities	100,000	100,000	0	100,000	0	100,000
Transfers - Commission on Criminal and Juvenile J	0	35,000	0	35,000	0	35,000
Transfers - H - Medical Assistance	141,039,000	139,751,600	3,136,000	142,887,600	1,781,400	144,669,000
Transfers - Other Agencies	2,913,700	3,136,200	(101,800)	3,034,400	(2,100)	3,032,300
Transfers - Within Agency	0	0	26,900	26,900	(26,900)	0
Beginning Nonlapsing	5,559,800	2,056,800	4,890,300	6,947,100	(3,043,100)	3,904,000
Closing Nonlapsing	(6,947,100)	0	(3,904,000)	(3,904,000)	1,725,500	(2,178,500)
Lapsing Balance	(2,146,800)	0	0	0	0	0
<b>Total</b>	<b>\$504,522,100</b>	<b>\$537,326,300</b>	<b>\$8,672,000</b>	<b>\$545,998,300</b>	<b>(\$6,218,600)</b>	<b>\$539,779,700</b>
<b>Line Items</b>						
Executive Director Operations	19,699,600	22,031,300	(251,800)	21,779,500	(1,656,500)	20,123,000
Drug Courts/Boards	1,646,900	2,917,200	0	2,917,200	0	2,917,200
Substance Abuse & Mental Health	112,375,800	115,718,900	3,093,400	118,812,300	(2,825,300)	115,987,000
Svcs for People w/Disabilities	165,184,500	178,700,500	1,030,700	179,731,200	(295,000)	179,436,200
Office of Recovery Services	45,738,400	48,353,600	760,700	49,114,300	(140,400)	48,973,900
Child and Family Services	138,185,600	147,126,000	4,083,800	151,209,800	(817,700)	150,392,100
Aging and Adult Services	21,691,300	22,478,800	(44,800)	22,434,000	(483,700)	21,950,300
<b>Total</b>	<b>\$504,522,100</b>	<b>\$537,326,300</b>	<b>\$8,672,000</b>	<b>\$545,998,300</b>	<b>(\$6,218,600)</b>	<b>\$539,779,700</b>
<b>Categories of Expenditure</b>						
Personal Services	183,376,300	202,355,400	(9,576,200)	192,779,200	484,600	193,263,800
In-State Travel	1,350,900	1,245,500	126,000	1,371,500	(4,600)	1,366,900
Out of State Travel	236,200	155,500	82,200	237,700	(4,500)	233,200
Current Expense	47,444,900	44,729,900	7,448,100	52,178,000	(886,300)	51,291,700
DP Current Expense	14,820,200	14,599,400	6,710,600	21,310,000	(1,026,000)	20,284,000
DP Capital Outlay	127,000	96,900	(60,000)	36,900	0	36,900
Capital Outlay	507,300	106,200	(49,700)	56,500	0	56,500
Other Charges/Pass Thru	256,659,300	274,037,500	3,991,000	278,028,500	(4,781,800)	273,246,700
<b>Total</b>	<b>\$504,522,100</b>	<b>\$537,326,300</b>	<b>\$8,672,000</b>	<b>\$545,998,300</b>	<b>(\$6,218,600)</b>	<b>\$539,779,700</b>
<b>Other Data</b>						
Budgeted FTE	3,600.2	3,733.2	(113.3)	3,619.9	(11.6)	3,608.3
Vehicles	378	343	16	359	0	359

\*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.

## RECOMMENDATIONS

It is the recommendation of the Analyst that the base budget for FY 2008 for the Department of Human Services of \$539,779,700 with the plan of financing shown on the above table be adopted by the Health and Human Services Appropriations Subcommittee. However, the Subcommittee may want to review the base budgets in detail prior to the adoption of the base budget for the Department of Human Services. It is further the recommendation of the Analyst the FY 2007 Internal Service Funds (ISF) for the Risk Management Liability Premiums of \$57,800 are reallocated to the appropriate programs within DHS for FY 2008. Finally, it is the recommendation of the Analyst that proposed fee schedule for FY 2008 is approved.