



STATEWIDE DISTRIBUTION OF SERVICES

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
STAFF: RUSSELL FRANSEN & STEPHEN JARDINE

ISSUE BRIEF

SUMMARY

The Social Services Appropriations Subcommittee is reviewing “how funds are distributed within the state when passed through to local government entities or allocated to various regions” for programs larger than \$1.0 million. In 1986 the Legislature established an interim subcommittee to study the allocation of social services programs to local governments. This subcommittee subsequently recommended the Legislature enact a series of bills to: 1) establish funding formulas to ensure the equitable distribution of state and federal funds to local authorities in the areas of mental health, substance abuse, aging, and public health, 2) institute a matching requirement on counties for pass through funds (10% in Aging, 20% in both Substance Abuse and Mental Health, and a percentage to later be determined for local public health). These recommendations were codified through a series of bills. For example, the current statute for distribution of funds to address substance abuse and mental illness ([UCA 62A-15-108](#)) states, “The division shall establish . . . formulas for allocating funds to . . . provide substance abuse prevention and treatment services The formulas shall provide for allocation of funds based on need. Determination of need shall be based on population unless the division establishes, by valid and accepted data, that other defined factors are relevant and reliable indicators of need. The formulas shall include a differential to compensate for additional costs of providing services in rural areas.” This section of the statute then defines which funds the formula should apply to. The *Discussion and Analysis* section below highlights certain programs where the distribution of funds seems disproportional to the concept of funds distributed based upon need when need is determined based upon population.

LEGISLATIVE ACTION

The Legislature may want to consider the following questions in its review of the distribution of funds by program:

1. Does the Legislature want to direct agencies for certain programs to come back with proposals to make distribution more accurately reflect *need* as demonstrated by population or by other relevant and reasonable factors (establishing those factors by “valid and accepted data”)?
2. Does the Legislature want to consider adding statutory language for additional social services programs regarding distribution based upon need where need “shall be based on population unless . . . establishe[d], by valid and accepted data, that other defined factors are relevant and reliable indicators of need”?
3. Does the Legislature want to consider adding statutory language for additional social services program regarding local match requirements?

BACKGROUND

In 1986 the Legislature established an interim subcommittee to study the allocation of funding for social services programs to local governments which subsequently recommended the Legislature enact a series of bills significantly impacting and altering the funding relationships and responsibilities between state and local governments in the areas of Aging, Alcoholism and Drugs, Mental Health, Local Health, Juvenile Detention, and Medically Indigent services. At that time the state assumed full funding for: 1) Juvenile

Detention, 2) the Medically Indigent program, and 3) mental health sanity evaluations. The Legislature also established funding formulas (SB 90) to ensure the equitable distribution of state and federal funds to local authorities in the areas of mental health, substance abuse, aging, and public health and instituted a matching requirement on counties for pass through funds in certain program areas [10% in Aging (SB 86) – 20% in both Alcohol and Drugs (SB 87) and Mental Health (SB 89) – and a percentage to later be determined by the Department of Health (SB 88) for local public health]. For example, the statute for distribution of funds to address substance abuse and mental illness ([UCA 62A-15-108](#)) states, “The division shall establish . . . formulas for allocating funds . . . to provide . . . prevention and treatment services The formulas shall provide for allocation of funds based on need. Determination of need shall be based on population unless the division establishes, by valid and accepted data, that other defined factors are relevant and reliable indicators of need. The formulas shall include a differential to compensate for additional costs of providing services in rural areas.” This section of the statute then defines which funds the formula should apply to.

DISCUSSION AND ANALYSIS

H.B. 3, *Current Fiscal Year Supplemental Appropriations*, from the 2015 General Session included the following intent language: The Legislature intends the departments of Health, Human Services, and Workforce Services and the Utah State Office of Rehabilitation provide to the Office of the Legislative Fiscal Analyst by June 1, 2015 a report outlining how funds are distributed within the state when passed through to local government entities or allocated to various regions and how often these distributions are reviewed and altered to reflect the relevant factors associated with the programs. (1) Is the program considered a statewide program (this would include something that serves all rural areas)? a. Is the implementation of the program really statewide? If not, is there a compelling reason why? (2) Who gets the money (by county)? (3) What is the methodology for distributing the money? a. How does the distribution compare to actual need as expressed by population? i. [If distributions are not reflecting current need (as represented by population), please explain why not?] b. If not done by population, what is the reason? (4) Does statute say anything about distribution and equity for the program?

The analysis of programs has been limited to those programs with \$1 million or more of funding. The section below highlights programs where the distribution of funds by an agency seem either contrary to need as defined by population or other valid factors or disproportional to a program’s stated purpose.

Department of Health’s Programs’ Distribution of Funds That May be of Interest

1. **\$3,424,000 FY 2015 spending on tobacco prevention and control** – the table below shows how much money is being spent when compared to smokers in each local health department for FY 2015. San Juan’s newly formed local health department did not receive any of this funding for FY 2015.

FY 2015 Spending on Tobacco Prevention and Control					
Local Health Department	Amount	Population	Smoking Rate	Smokers	\$/Smoker
Bear River	\$ 230,800	174,155	8%	14,194	\$ 16.26
Central	\$ 271,900	78,709	13%	10,146	\$ 26.80
Davis	\$ 265,000	327,292	8%	25,692	\$ 10.31
Salt Lake	\$ 835,800	1,092,643	13%	140,405	\$ 5.95
Southeastern	\$ 237,100	43,017	18%	7,627	\$ 31.09
Southwest	\$ 363,500	215,855	11%	24,629	\$ 14.76
Summit	\$ 105,800	38,898	8%	3,007	\$ 35.19
Tooele	\$ 185,800	61,883	16%	10,013	\$ 18.56
Tri County	\$ 170,800	56,859	19%	10,695	\$ 15.97
Utah	\$ 369,700	558,518	7%	39,990	\$ 9.24
Wasatch	\$ 100,000	26,157	10%	2,514	\$ 39.78
Weber/Morgan	\$ 287,800	253,200	14%	36,562	\$ 7.87
Total	\$ 3,424,000	2,927,186	11%	325,473	\$ 10.52

2. **\$14.5 million for Baby Watch Program** – the table below shows the direct services spending in each service area by county(s) for each child aged 0 up to 3. Services are based on developmental delays, so this comparison assumes that developmental delays are evenly distributed across the State.

Baby Watch FY 2015 Contracts			
Direct Services	Counties Serviced (ages 0 up to 3)	0-3 population	\$ per 0-3 child
\$ 305,900	Beaver, Iron, Garfield, Kane	4,407	\$ 69
\$ 1,144,100	Cache, Rich, Box Elder	12,807	\$ 89
\$ 1,255,300	Davis	24,019	\$ 52
\$ 383,400	Emery, Carbon, Grand	2,547	\$ 151
\$ 353,600	Juab, Sanpete, Millard, Sevier, Piute, Wayne	4,977	\$ 71
\$ 4,545,300	Salt Lake, Tooele, Duchesne	75,105	\$ 61
\$ 290,400	San Juan	1,028	\$ 282
\$ 302,000	Summit, Wasatch	3,682	\$ 82
\$ 677,300	Uintah, Daggett	2,690	\$ 252
\$ 3,406,700	Utah	44,778	\$ 76
\$ 978,900	Washington	9,516	\$ 103
\$ 833,800	Weber, Morgan	16,652	\$ 50
\$ 14,476,600	Grand Total (Total Funds)	202,207	\$ 72
8,956,100	General Fund		

For the full report on all statewide programs over \$1.0 million by the Department of Health, please visit <http://le.utah.gov/interim/2015/pdf/00002648.pdf> and <http://le.utah.gov/interim/2015/pdf/00002829.pdf>.

Department of Human Services' Programs' Distribution of Funds That May be of Interest

1. **\$5.4 million distributed to domestic violence shelters** – current distribution does not reflect population. After providing for a rural differential, funds are distributed to shelters equally where they exist throughout the state, whether in larger urban settings or smaller rural areas. The agency states, “DCFS is still planning to update the funding formula. A few unforeseen circumstances have caused the process to be delayed. The funding formula for next fiscal year will be the same as this year. DCFS [has] encountered some problems with the data provided by the shelters.”
2. **\$5.0 million distributed for drug court services** – current funding distribution, for example, provides Salt Lake County with only 29.6% of the funds (37.2% of the population) but Carbon, Emery, and Grand counties with 7.3% of the funds (1.1% of the population). The Drug Court Funding Committee uses a case rate methodology for the distribution of drug court funds. All drug courts that meet the certification requirements set forth by the Administrative Office of the Courts receive funds. Available funds are divided by a three year average enrollment number to develop a case rate. Drug Courts are required to have at least 15 participants. No Drug Court receives funding for more than 125 participants.
3. **\$1.8 million distributed to 4 local mental health centers for autism services** – current funding distribution goes only to Valley Mental health (Salt Lake), Weber Human Services, Wasatch Mental Health in Utah County, and Southwest Education Center in St. George.

For the full report on all statewide programs over \$1.0 million by the Department of Human Services, please visit <http://le.utah.gov/interim/2015/pdf/00002788.pdf>.

Department of Workforce Services' Programs' Distribution of Funds That May be of Interest

1. **\$32.1 million distributed statewide for Temporary Assistance for Needy Families (TANF) benefits** – current funding distribution, for example, provides Salt Lake and Tooele counties with 62.0% of the funds (39.3% of the population) while Davis, Morgan, and Weber counties only receive 6.3% of the funds (19.7% of the population) and Utah, Juab, Summit, and Wasatch counties only receive 10.8% of the funds (21.6% of the population).
2. **\$5.5 million distributed for “Other Assistance” which includes the Job Growth Small Business Bridge Program and the Education Training Voucher Program** – current funding distribution, for example, provides Washington County with 16.8% of the funds (5.1% of the population) while Salt Lake County only receives 15.8% of the funds (37.2% of the population).
3. **\$136 million allocations vs \$80 million revenue for Community Impact Board** – the table below shows the new mineral lease revenue provided by each county compared to its allocations. In addition to new mineral lease revenue, there is other revenue not reflected in the table from repayments of prior year loans.

For the full report on all statewide programs over \$1.0 million by the Department of Workforce Services, please visit <http://le.utah.gov/interim/2015/pdf/00002794.pdf>.

FY 2014 Community Impact Board Revenues and Allocations			
County	Revenue Provided	Allocation Received	Allocation Higher/(Lower) Than Allocation
Beaver	\$ 139,300	\$ 77,700	\$ (61,600)
Box Elder	\$ -	\$ -	\$ -
Cache	\$ -	\$ 11,060,000	\$ 11,060,000
Carbon	\$ 7,052,100	\$ 16,850,000	\$ 9,797,900
Daggett	\$ 73,000	\$ -	\$ (73,000)
Davis	\$ 4,100	\$ -	\$ (4,100)
Duchesne	\$ 12,080,000	\$ 42,221,200	\$ 30,141,200
Emery	\$ 3,192,900	\$ 3,626,300	\$ 433,400
Garfield	\$ 319,200	\$ 2,878,800	\$ 2,559,600
Grand	\$ 3,298,400	\$ 100,000	\$ (3,198,400)
Iron	\$ 75,300	\$ 5,370,000	\$ 5,294,700
Juab	\$ 107,800	\$ 193,700	\$ 85,900
Kane	\$ -	\$ 1,187,000	\$ 1,187,000
Millard	\$ 94,600	\$ 1,088,500	\$ 993,900
Morgan	\$ 1,400	\$ -	\$ (1,400)
Piute	\$ 6,500	\$ 1,479,000	\$ 1,472,500
Rich	\$ 4,200	\$ -	\$ (4,200)
Salt Lake	\$ 1,300	\$ -	\$ (1,300)
San Juan	\$ 2,115,800	\$ 8,370,000	\$ 6,254,200
Sanpete	\$ 134,500	\$ 2,290,500	\$ 2,156,000
Sevier	\$ 8,834,600	\$ 2,581,000	\$ (6,253,600)
Summit	\$ 114,300	\$ 30,000	\$ (84,300)
Tooele	\$ 98,200	\$ -	\$ (98,200)
Uintah	\$ 42,335,300	\$ 25,495,700	\$ (16,839,600)
Utah	\$ 50,700	\$ -	\$ (50,700)
Wasatch	\$ 3,100	\$ 7,900,000	\$ 7,896,900
Washington	\$ 15,400	\$ 898,000	\$ 882,600
Wayne	\$ 1,000	\$ 294,000	\$ 293,000
Weber	\$ -	\$ -	\$ -
Regional	\$ -	\$ 1,592,000	\$ 1,592,000
	\$ 80,153,000	\$ 135,583,400	\$ 55,430,400

Utah State Office of Rehabilitation's Programs' Distribution of Funds That May be of Interest

- \$15.8 million distributed to 6 Regions for Direct Vocational Rehabilitation Client Services** – current funding distribution, for example, provides Salt Lake, Tooele, Wasatch, and Summit counties with only 32.9% of the funds (41.6% of the population) while Carbon, Duchesne, Uintah, Daggett, Emery, Grand, and San Juan counties receive 13.8% of the funds (3.9% of the population).

2. **\$4.3 million distributed to 6 Independent Living Centers** – for example, current funding distribution provides Salt Lake, Tooele, and Summit counties with only 23.7% of the funds (40.6% of the population) but Carbon, Duchesne, Uintah, Daggett, Emery, Grand, and San Juan counties with 17.3% of the funds (3.9% of the population).

For the full report on all statewide programs over \$1.0 million by the Utah State Office of Rehabilitation, please visit <http://le.utah.gov/interim/2015/pdf/00002790.pdf>.