Accountable Base Budget Review

June 2021 Preliminary Analysis, Phase 1 of 2

Overview: House Joint Resolution 18

- Requires each appropriations subcommittee to create an accountable budget process
- Approximately 20 percent of each subcommittee's budget is to be reviewed in depth each interim
- All areas will be reviewed in depth every five years
- Each subcommittee is charged with creating a separate section of the base budget bill for the 20 percent reviewed each interim

Welcome to Budget Nerd Bliss!

2019	2021	2022	2023	2024
Administration; Unemployment Insurance; Public Guardian	**Behavioral Health; Opioid Misuse Prevention; Suicide Prevention; Homelessness; Housing**	**Medicaid Eligibility, Operations, and Recovery Services; Workforce Operations; Aging Services**	**Long-Term Care and Community-Based Waivers; Disability and Aging Services; Primary and Family Care**	**Medicaid Services; Child Welfare; Welfare Assistance; Development Funds**
DOH - Executive Director's Operations	DHS - Substance Abuse and Mental Health and Associated Funds	DOH - Medicaid and Health Financing	DHS - Services for People with Disabilities	Medicaid services - DOH - Medicaid Services
DWS - Administration	DOH - Vaccine Commodities	DHS - Office of Recovery Services	DOH - Intermediate Care Facilities	DHS - Child and Family Services
DWS - Unemployment Insurance	DOH - Local Health Departments	DWS - Operations and Policy	DOH - Nursing Home	DWS - General Assistance
DWS - Unemployment Compensation Fund	DOH - Qualified Patient Enterprise Fund	DHS - Aging and Adult Services (not including Aging Waiver)	DWS - Utah State Office of Rehabilitation	DOH - Children's Health Insurance Program
DHS - Executive Director Operations (including Human Services Client Trust Fund)	DOH - Traumatic Brain Injury Fund & Spinal Cord and Brain Injury Rehabilitation Fund		DOH - Rural Physicians Loan Repayment Assistance	DWS - Nutrition Assistance
DHS - Office of Public Guardian	DOH - Disease Control and Prevention		DOH - Primary Care Workforce Financial Assistance	DWS - Navajo Revitalization Fund
	DWS - Housing and Community Development		DOH - Family Health and Preparedness	DWS - Uintah Basin Revitalization Fund
	DWS - Office of Homeless Services		DOH - Organ Donation Contribution Fund	DWS - Special Service Districts
	DWS - Qualified Emergency Food Agencies Fund		DWS - Utah Community Center for the Deaf Fund	DWS - Permanent Community Impact Bonus Fund
	DWS - Olene Walker Housing Loan Fund		DWS - Individuals with Visual Impairment Fund	DWS - Permanent Community Impact Fund
	DWS - Intermountain Weatherization Training Fund		DHS - Aging and Adult Services (Aging Waiver only)	DWS - Community Development Capital Budget

DOH = Dept of Health, DHS = Dept of Human Services, DWS = Dept of Workforce Services

What Happened Because of the 2019 Review? Department of Health Highlights

1. Breast and Cervical Cancer Medicaid Expansion Services ($40,800) ongoing and ($40,800) one-time
2. More Programs Paying Indirect Costs ($16,600) ongoing
3. Medicaid Paying Higher Share of All Payer Claims Database Costs ($8,200) ongoing and ($2,600) one-time

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What Happened Because of the 2019 Review? Department of Human Services Highlights

1. Moved part of Office of Licensing's budget to dedicated credit financing model.
2. Increased sources of input for internal audits.
3. Clarified the fee schedule.
4. Improved performance measures for line item level and COBI.

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What Happened Because of the 2019 Review? Department of Workforce Services Highlights

1. Performance measure adjustments
2. Promote internal audit
3. Add to annual risk assessment

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Social Services Appropriations Subcommittee Approach

June

- High-level review of entire 20%
- Subcommittee recommends areas for further analysis

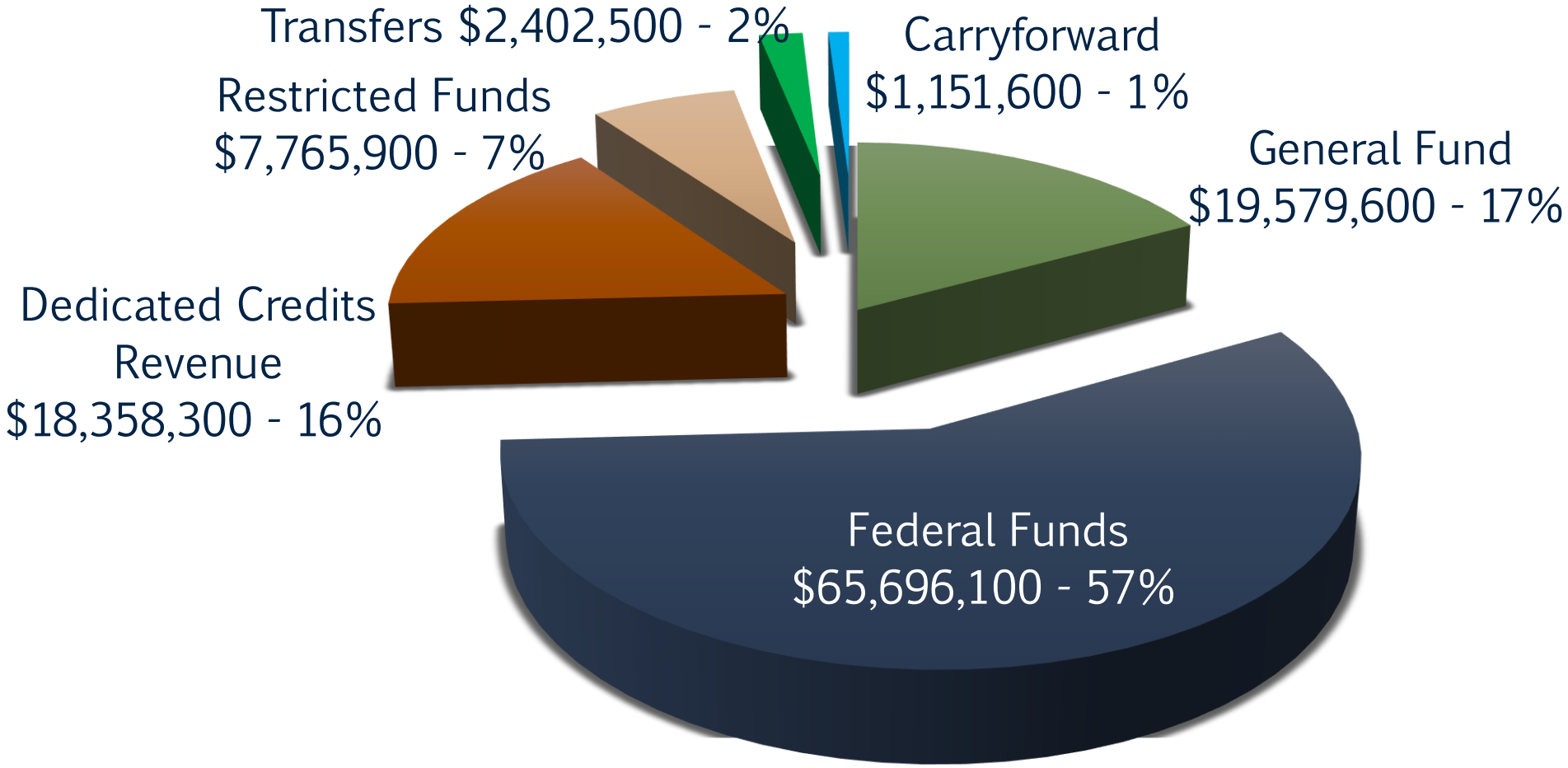
October

- Staff present further analysis
- Draft base budget for 20%

Actions for Today

- Staff recommendations to accept or reject today
- Items to study further, in the October meeting
  - Staff recommendations
  - Member input
  - Selection of topics

How Much Money Are We Reviewing in Health? $115 Million in FY 2020



Recommendations for Health For Consideration Now Supported by Health

1. Open a bill file to change the name of the Cannabinoid Product Board to something like the Cannabis Research Review Board to better reflect what the Board does.
2. Open a bill to close the following General Fund Restricted Accounts which have not had any revenues or expenditures since beginning in FY 2017: (1) Children with Cancer Support Restricted Account and (2) Children with Heart Disease Support Restricted Account.

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Recommendations for Health For Consideration Now Supported by Health (Continued)

3. Qualified Patient Enterprise Fund (Medical Cannabis) - Propose new annual performance measures for the base budget by October 1, 2021.

4. Traumatic Brain Injury Fund - Update performance measure targets from 40 to 80 for clients referred that receive a neuro-psych exam or MRI and from 60 to 100 for the number of community and professional education presentations and trainings.

5. Delay the following request one year to 2022 and add (4) options and costs of expanding the program to more counties: Direct the Department of Health to provide (1) what specific savings were generated, (2) who received the savings, and (3) what the funding sources were for these savings for the asthma home based case management funding in Medicaid as part of its reports submitted to the Social Services Appropriations Subcommittee in October 2021 (motion passed at October 2020 meeting).

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Sample Review – Traumatic Brain and Spinal Injury Funds

Spinal Cord and Brain Injury Rehabilitation Fund

Sources of Finance	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Est.	2022 Est.
Dedicated Credits Revenue	$ 163,200	$ 144,600	$ 234,300	$ 352,500	$ 435,700	$ 352,500	$ 352,500
Beginning Fund Balance	$ 413,400	$ 334,300	$ 310,800	$ 449,400	$ 612,100	$ 789,100	$ 789,100
Closing Fund Balance	$ (334,300)	$ (310,800)	$ (449,400)	$ (612,100)	$ (789,100)	$ (789,100)	$ (789,100)
Total	**$ 242,300**	**$ 168,100**	**$ 95,700**	**$ 189,800**	**$ 258,700**	**$ 352,500**	**$ 352,500**
Monthly Spending Per Client	$ 262	$ 206	$ 117	$ 288	$ 308	$ 210	$ 210
Monthly Caseload	77	68	68	55	70	140	140
Fee Revenues to the Fund							
- administrative impound fee $20	$ 163,200	$ 144,600	$ 156,500	$ 158,300	$ 163,000	$ 166,000	$ 168,000
- motorcycle registration $0.50 (started in January 2018)	N/A	N/A	$ 77,700	$ 194,300	$ 50,000	$ 48,000	$ 51,000
- off-highway vehicle registration $1 ($0.50 in January 2018, $1 in January 2019)	N/A	N/A			$ 223,000	$ 212,000	$ 222,000
Total Fee Revenues to the Fund	$ 163,200	$ 144,600	$ 234,200	$ 352,600	$ 436,000	$ 426,000	$ 441,000
Revenues Over/(Under) Expenses	$ (79,100)	$ (23,500)	$ 138,500	$ 162,800	$ 177,300	$ 73,500	$ 88,500
Any plans to use the fund balance?	Health: "With a new provider onboarded, the balance has been obligated in existing contracts."						

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Sample Review – Traumatic Brain and Spinal Injury Funds

Traumatic Brain Injury Fund

Sources of Finance	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Est.	2022 Est.
General Fund	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000
General Fund, One-Time	$ -	$ -	$ -	$ -	$ (50,000)	$ 50,000	$ -
Dedicated Credits Revenue	$ -	$ -	$ -	$ 100	$ -	$ -	$ -
Transfers	$ 52,400	$ -	$ 527,700	$ 200,000	$ -	$ -	$ -
Beginning Fund Balance	$ 122,400	$ 162,400	$ 137,900	$ 756,700	$ 733,000	$ 698,400	$ 582,200
Closing Fund Balance	$ (162,200)	$ (137,900)	$ (610,200)	$ (932,900)	$ (679,200)	$ (582,200)	$ (416,000)
Total	**$ 212,600**	**$ 224,500**	**$ 255,400**	**$ 223,900**	**$ 203,800**	**$ 366,200**	**$ 366,200**
Monthly Spending Per Client	$ 101	$ 82	$ 109	$ 83	$ 143	$ 102	$ 102
Monthly Caseload	176	228	195	226	119	300	300
Any plans to use the fund balance?	Health: "Balance has been budgeted in FY21 and FY22 and approved by [Traumatic Brain Injury] Advisory Committee with an increase in virtual outreach and training and implementation of a RFP for community health workers and independent living centers to train as brain injury specialists."						

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Recommendations for Further Study #1a. Review passthrough funding methodologies and effectiveness

- How much is spent on administration to oversee contracts? Why? Should we standardize?
- How is funding distributed? Formulas, applications, committees, etc. Are there better ways based on the objective of the funding?
- How do we know if the Legislature's goals are being met, particularly with large recent appropriations? How are data reported? Are the goals being met?
- Is state-level oversight sufficient achieve legislative objectives? Are statutory or rule changes needed?

Some Potential Areas For Further Study Supported by Health

2. Report by October 1, 2021 on potential revenue and other impacts to provide dedicated funding sources for the Traumatic Brain Injury Fund and the Pediatric Neuro-Rehabilitation Fund to replace the $200,000 ongoing General Fund currently going to the Traumatic Brain Injury Fund under at least the following scenarios: (1) redirecting existing revenue sources going to the Spinal Cord and Brain Injury Rehabilitation Fund and (2) identifying new funding sources.

3. Qualified Patient Enterprise Fund (Medical Cannabis) - Explore an auto renewal option for cannabis licensees and provide recommendations for whether or not to pursue this option as well as cost implications by October 1, 2021.

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Some Potential Areas For Further Study Supported by Health (Continued)

4. The Department of Health shall report to the Social Services Appropriations Subcommittee by January 1, 2022 on any legal changes needed to allow for state laboratory staff to provide testimony via technology for court cases.

5. Report by October 1, 2021 on options regarding medically-required formula for Phenylketonuria (PKU) patients to: (1) investigate the possibility or impact of outreach to self-funded employer health insurance pans to cover medical formula, (2) status of request for proposal to establish a contract with a pharmacy to supply medical food (bulk purchasing is not a viable option), and (3) investigate and establish what the total serviceable market is.

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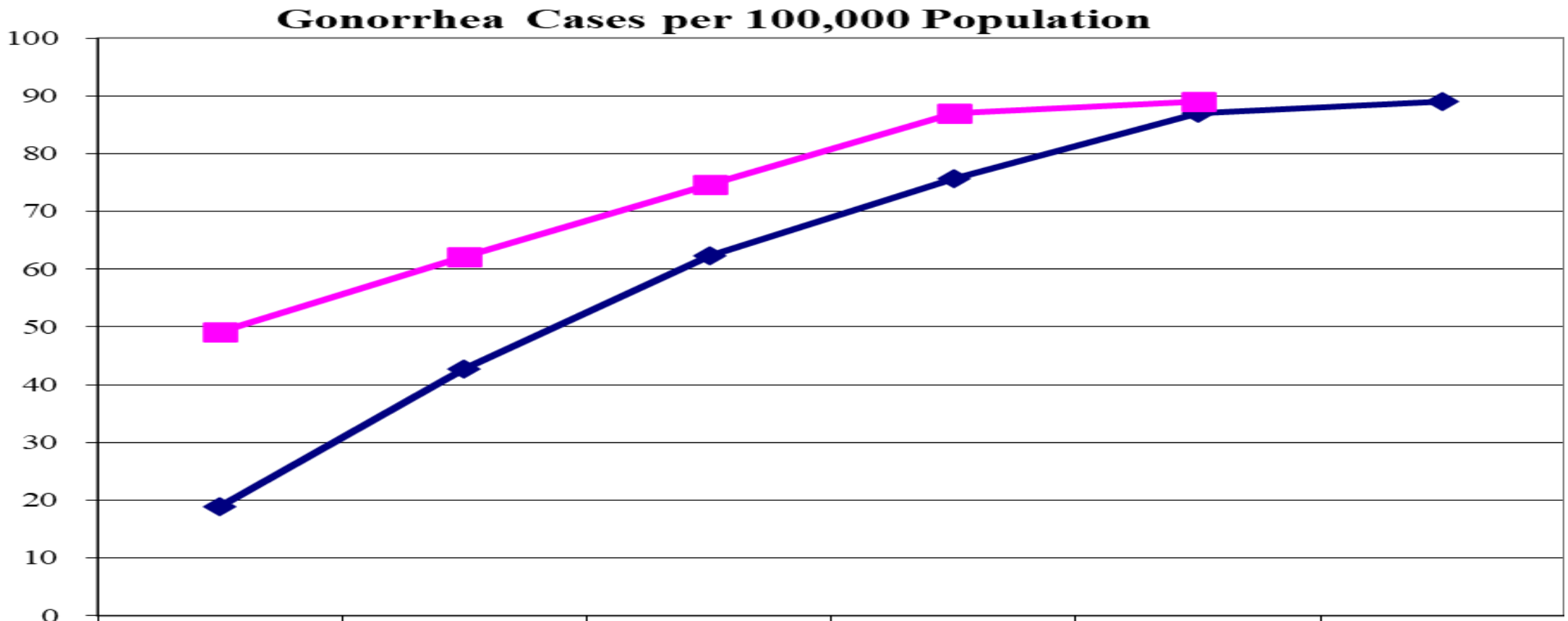
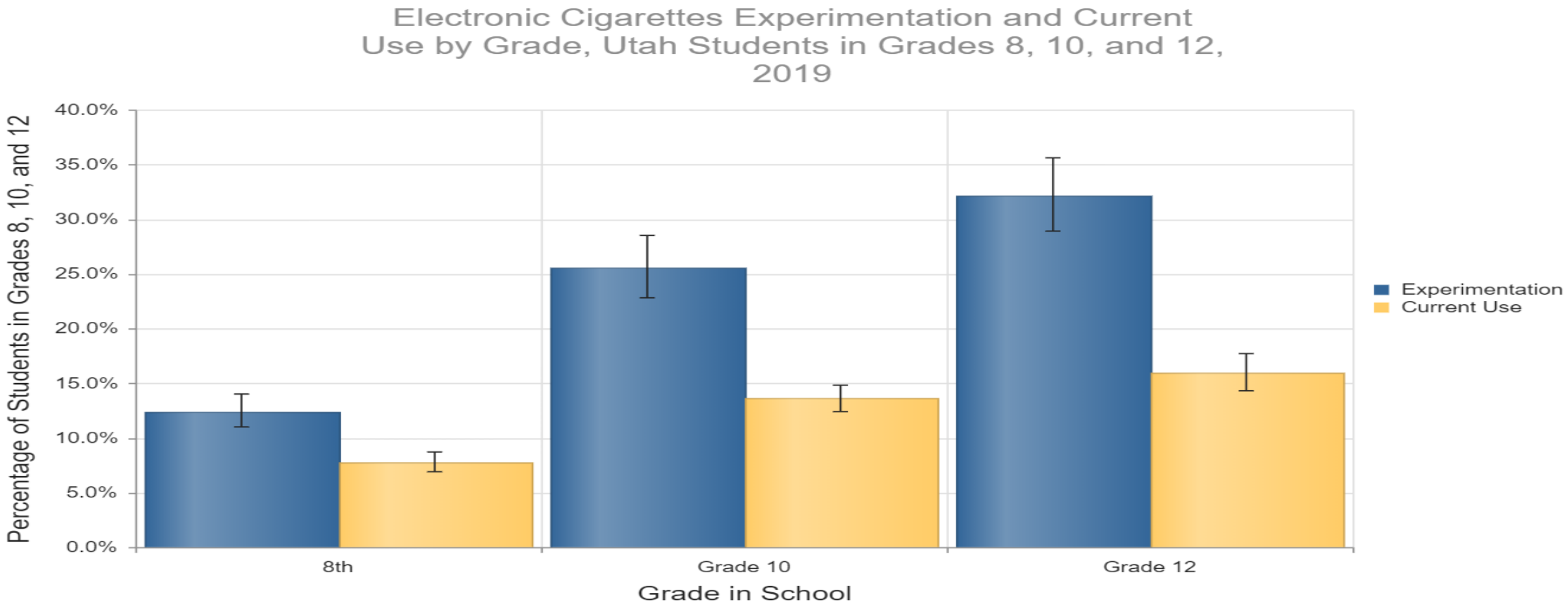
Some Potential Areas For Further Study Supported by Health (Continued)



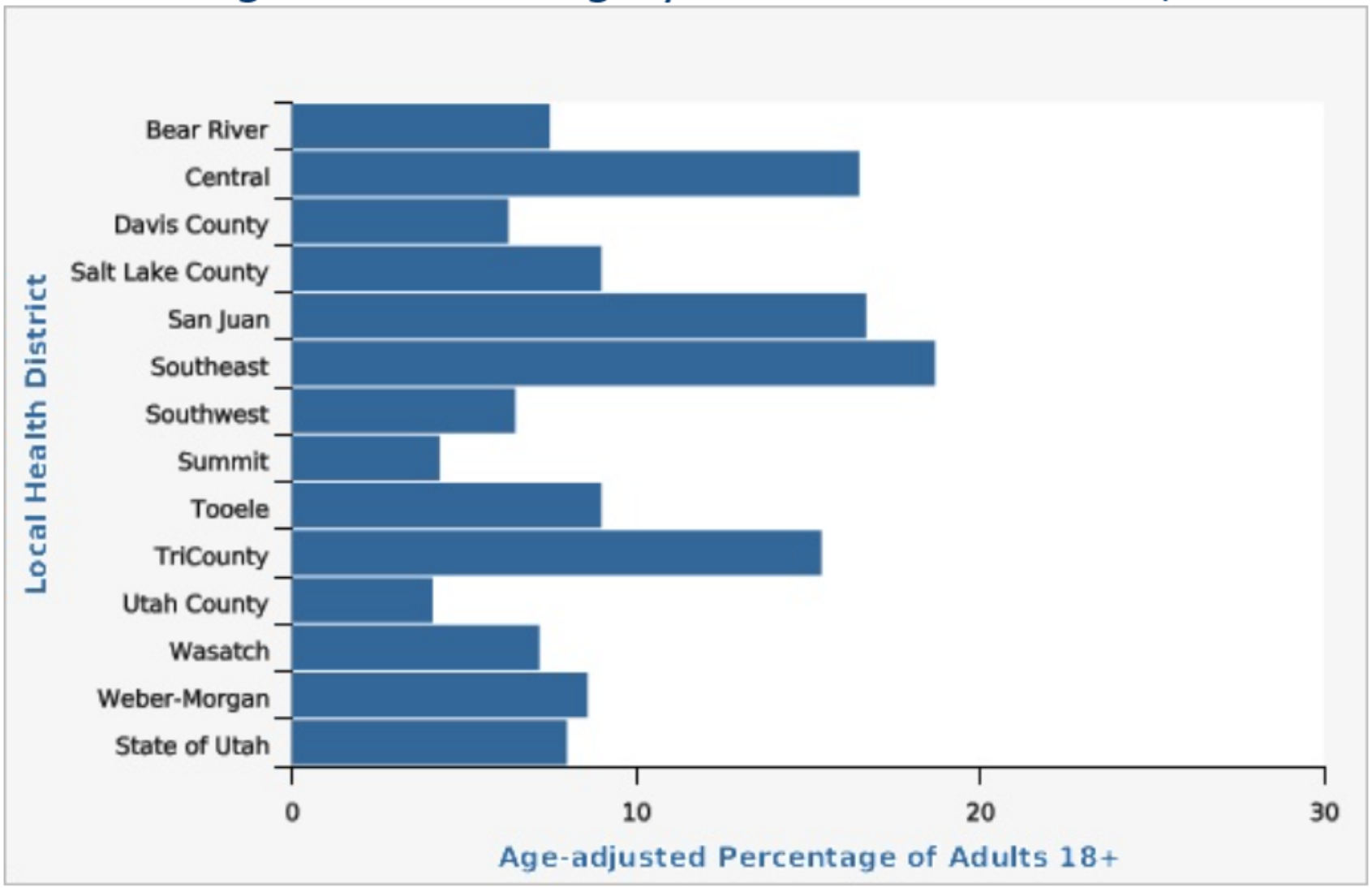
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Target	18.9	42.7	62.3	75.6	87.0	89.0
Actual	49.1	62.2	74.6	87.0	89.0	

Some Potential Areas For Further Study Supported by Health (Continued)



Source = https://ibis.health.utah.gov/ibisph-view/indicator/view/ECig.Stu_Gr.html

Current Cigarette Smoking by Local Health District, Utah Adults Aged 18 and Older, 2019



Source = https://ibis.health.utah.gov/ibisph-view/indicator/complete_profile/CigSmokAdlt.html

Some Potential Areas For Further Study Supported by Health (Continued)

6. Report by September 24, 2021 on the following regarding gonorrhea in Utah: (1) what is currently being done to address the issue? (2) What has been the recent trend in Utah's infection rates? (3) what is the likely impacts and consequences to how many citizens based on our current gonorrhea rates? (4) recommendations for any additional steps and associated costs.

7. Report by October 1, 2021 in collaboration with local health departments on options to adjust the funding formula for FY 2023 to adjust for areas with higher smoking rates as well as shifting more existing funding sources to address the rates of electronic cigarette use and the pros and cons of that approach.

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Some Potential Areas For Further Study Supported by Health (Continued)

8. Report by September 24, 2021 on the pros, cons, and financial impact of (1) potentially adding a chat feature for Health's inbound call center and (2) charging the costs of the call center to the programs that use it.

9. Report by October 1, 2021 on options to reduce the 7.8% non-compliance rate of retailers selling tobacco products to youth as well as the costs and likely impacts of each option. The report should also include how Utah's retailer non-compliance rate compares to other states.

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Some Potential Areas For Further Study Supported by Health (Continued)

10. Report by October 1, 2021 with a prioritized list of potential actions to reduce the impacts of asthma statewide in Utah with estimated costs and benefits for each recommendation.

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Some Potential Areas For Further Study Opposed by Health

11. Traumatic Brain Injury Fund - Report by October 1, 2021 on the net impact to the program of implementing cost sharing. Include how much would need to be charged and to which clients in order to justify the cost of the cost sharing program.
    - Health: "The Division opposes this recommendation. As the TBI rehabilitation fund currently cost shares, and sees TBI rehabilitation fund as a payer of last resort."

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Pop Quiz – Why Is There A 206 Page Back Up Document Posted Online?

1. Give you a sample of information collected and questions asked
2. Document may help you identify some areas of interest to study further
3. Misery loves company (If Russ and Health had to suffer, you should suffer a little also)
4. Russ hopes his pay is based on the number of pages produced

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End of Health Slides

Health Has a Brief Presentation Ready

Department of Human Services
Division of Substance Abuse and Mental Health & Funds

1. Division of Substance Abuse and Mental Health
   - State Administration
   - Passthrough to Local Authorities
   - Utah State Hospital
2. Mental Health Services Donation Fund
3. Utah State Hospital Patient Trust Fund
4. Utah State Hospital Unit Fund

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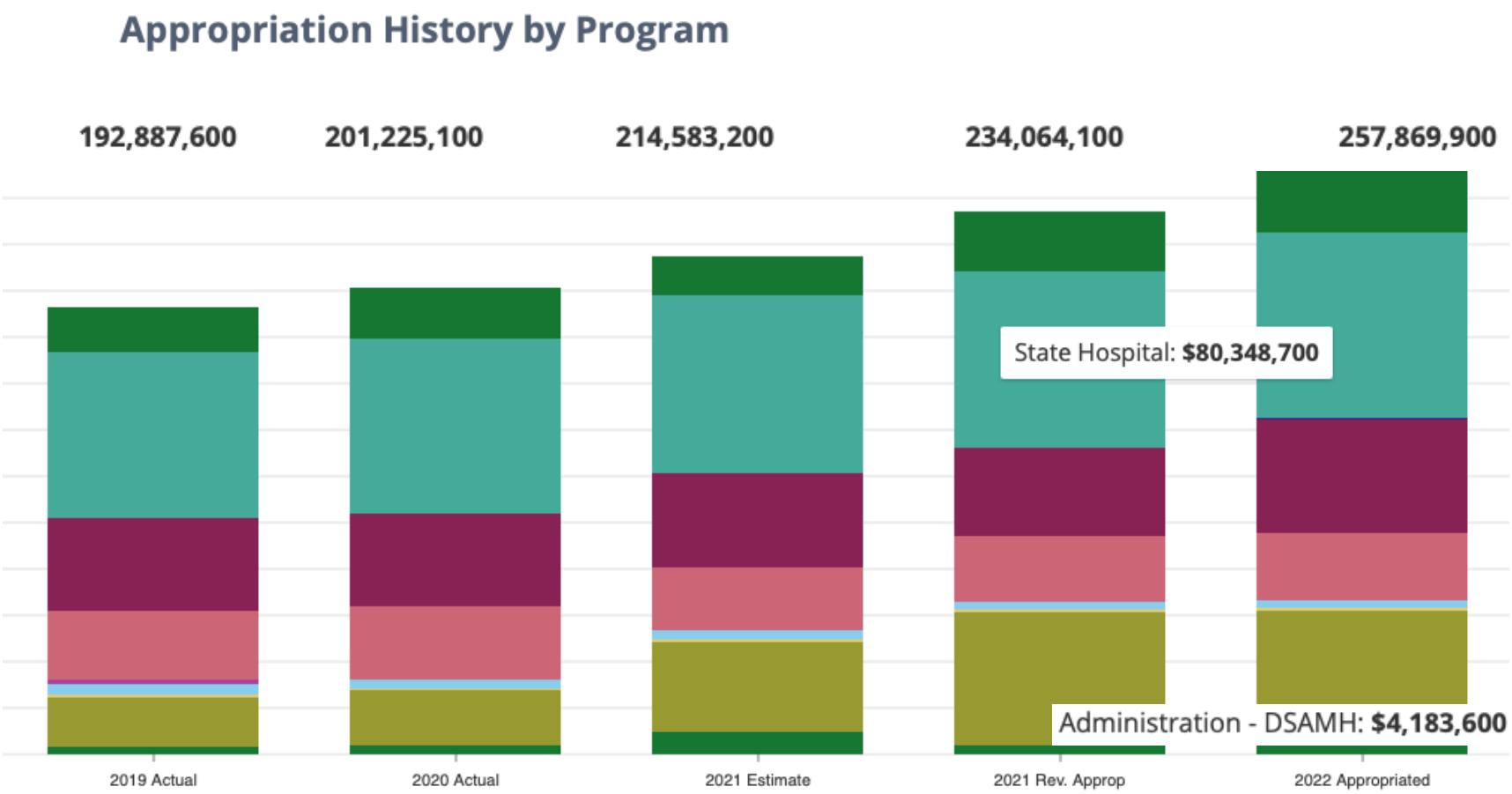
Substance Abuse and Mental Health Programs



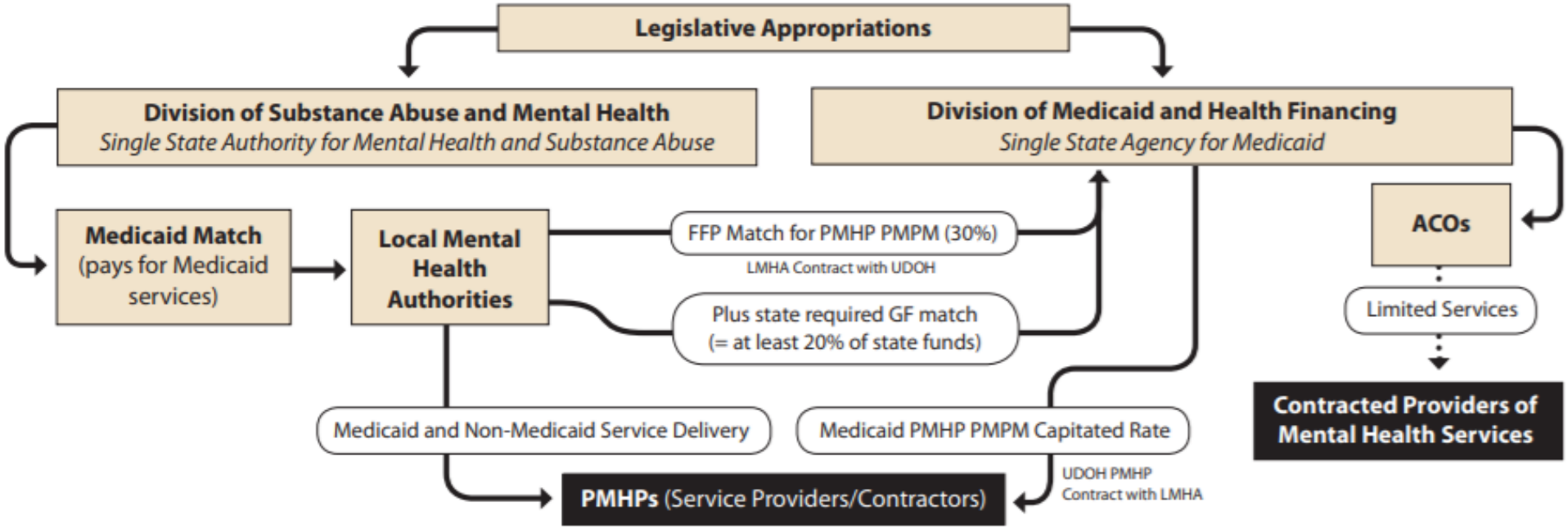
https://cobi.utah.gov/2021/228/financials

Substance Abuse and Mental Health Local Organization

- 13 Local Authorities across Utah's 29 counties
- Single county or multi-county interlocal agreement
- Locals deliver or contract for all services, with oversight from DSAMH

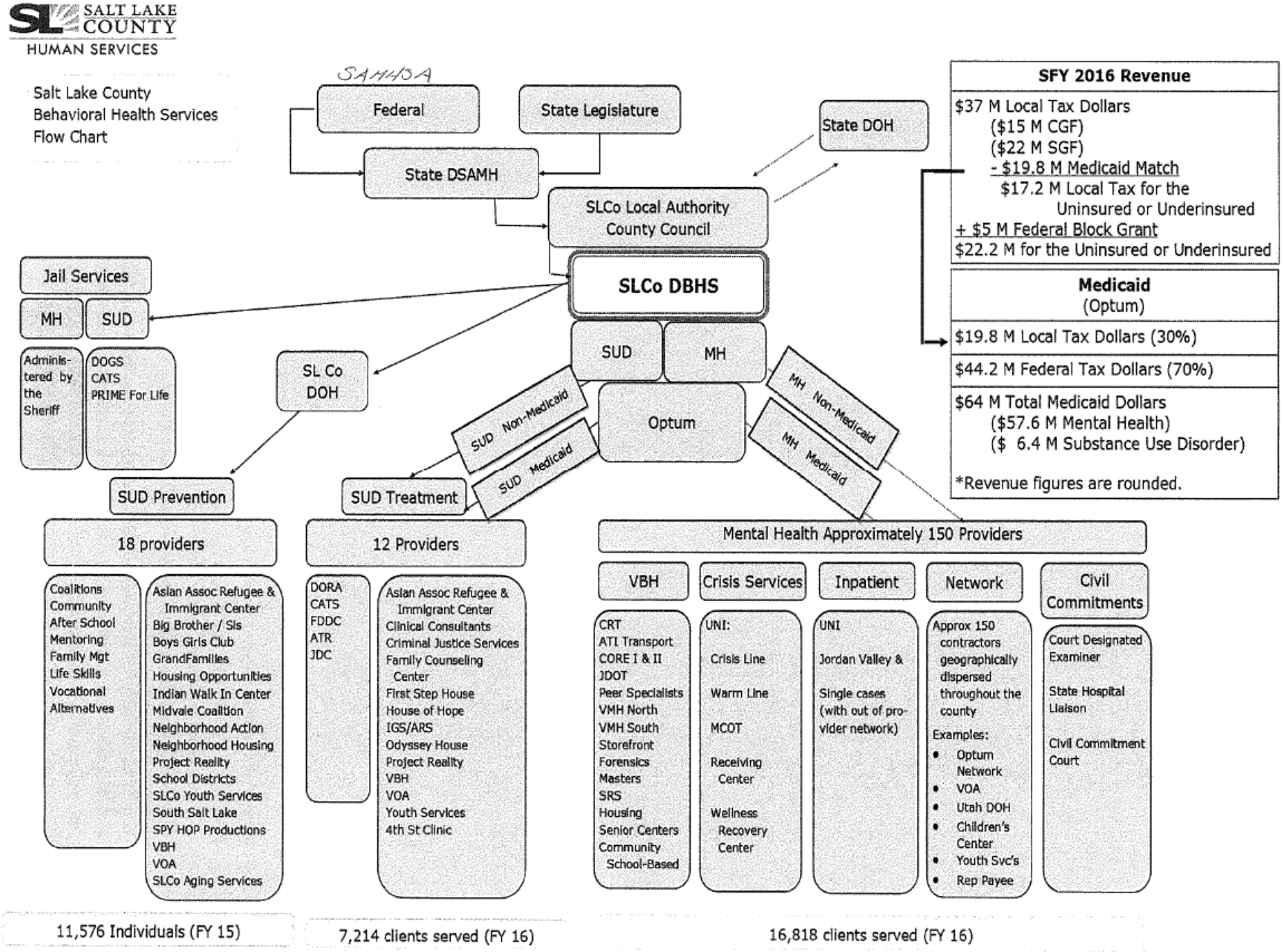
Substance Abuse and Mental Health Funding Streams for Locals

Figure 8: Utah Medicaid and Public Mental Health Funding Flows



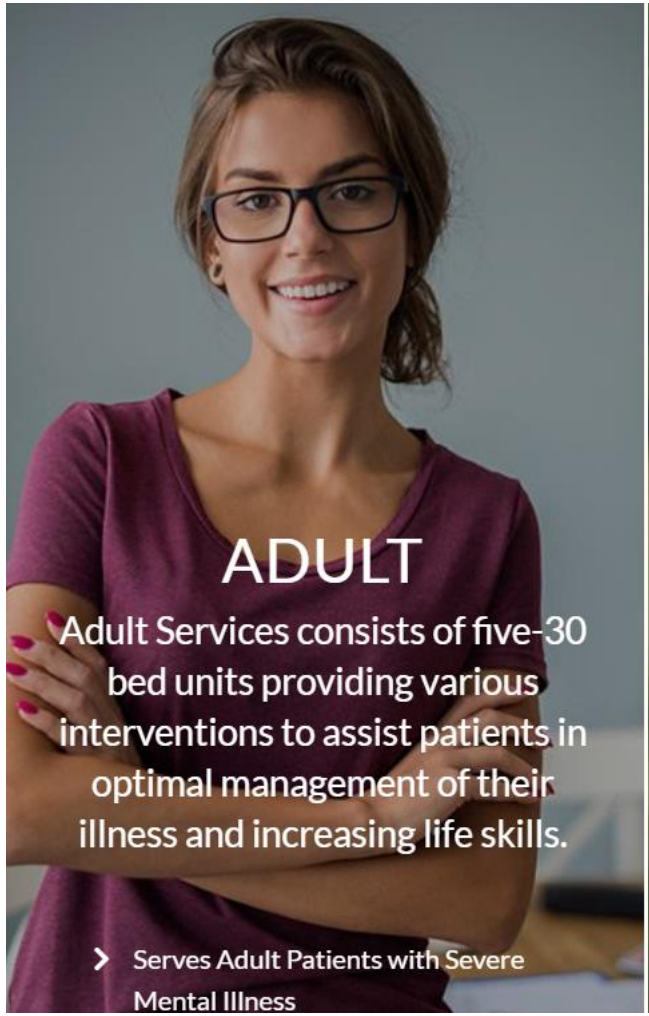
GF = General Fund; FFP = Federal Financial Participation; PMPM = Per Member Per Month. Other acronyms defined on p. 10.
Note: This figure illustrates the flow of mental health funding. A more detailed funding flow is provided in Appendix IV. SUD funding has different statutory, administration, federal match, and service requirements that are not detailed in the above graphic.
Source: Gardner Institute analysis based on information from the Utah Division of Substance Abuse and Mental Health and Division of Medicaid and Health Financing.

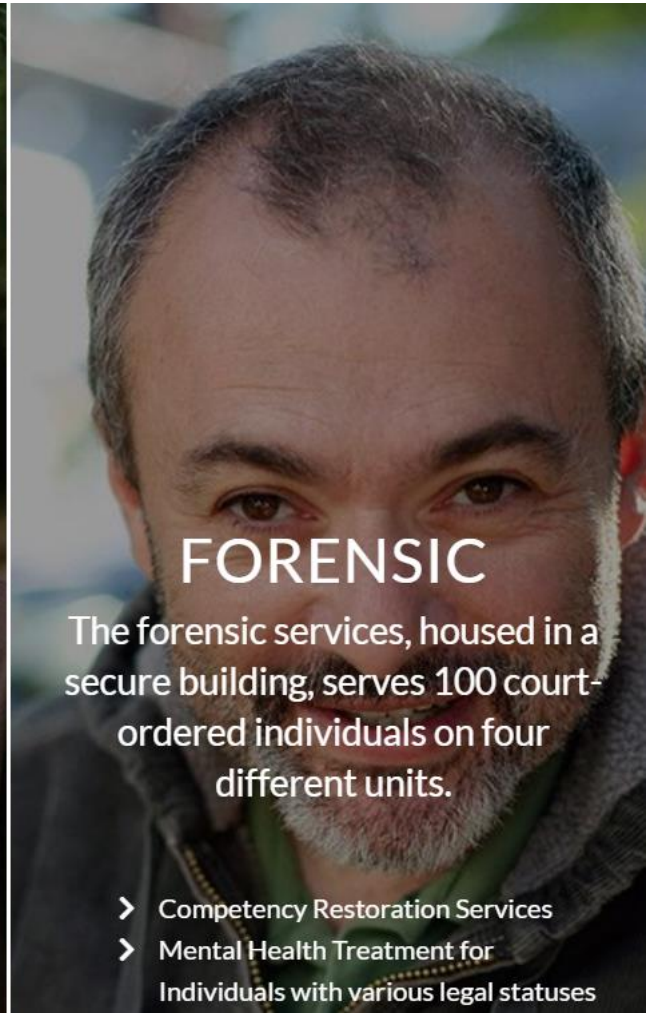
https://gardner.utah.edu/wp-content/uploads/MentalHealthReportAug2019.pdf



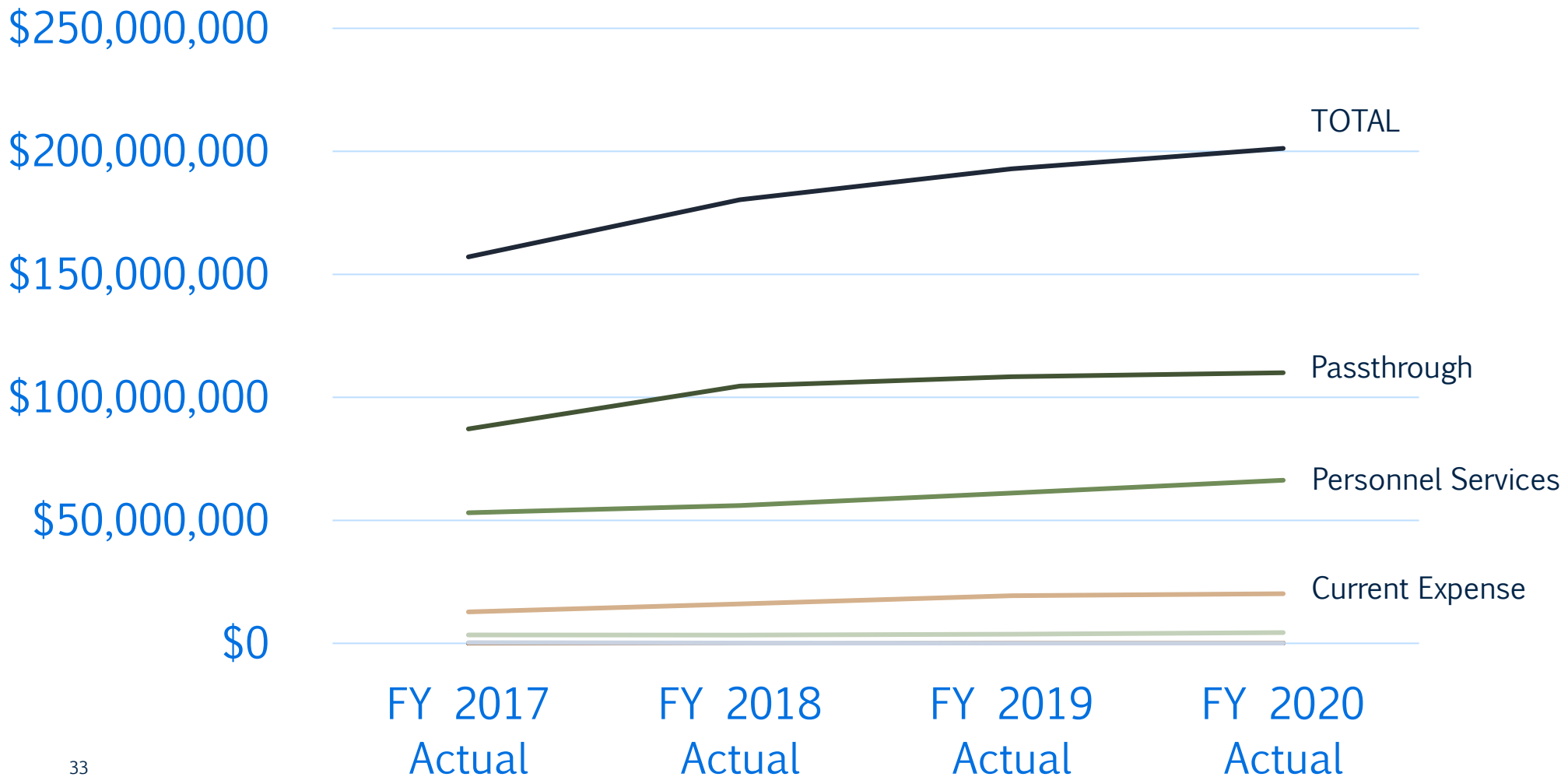
Source: Salt Lake County Behavioral Health

Substance Abuse and Mental Health
Utah State Hospital

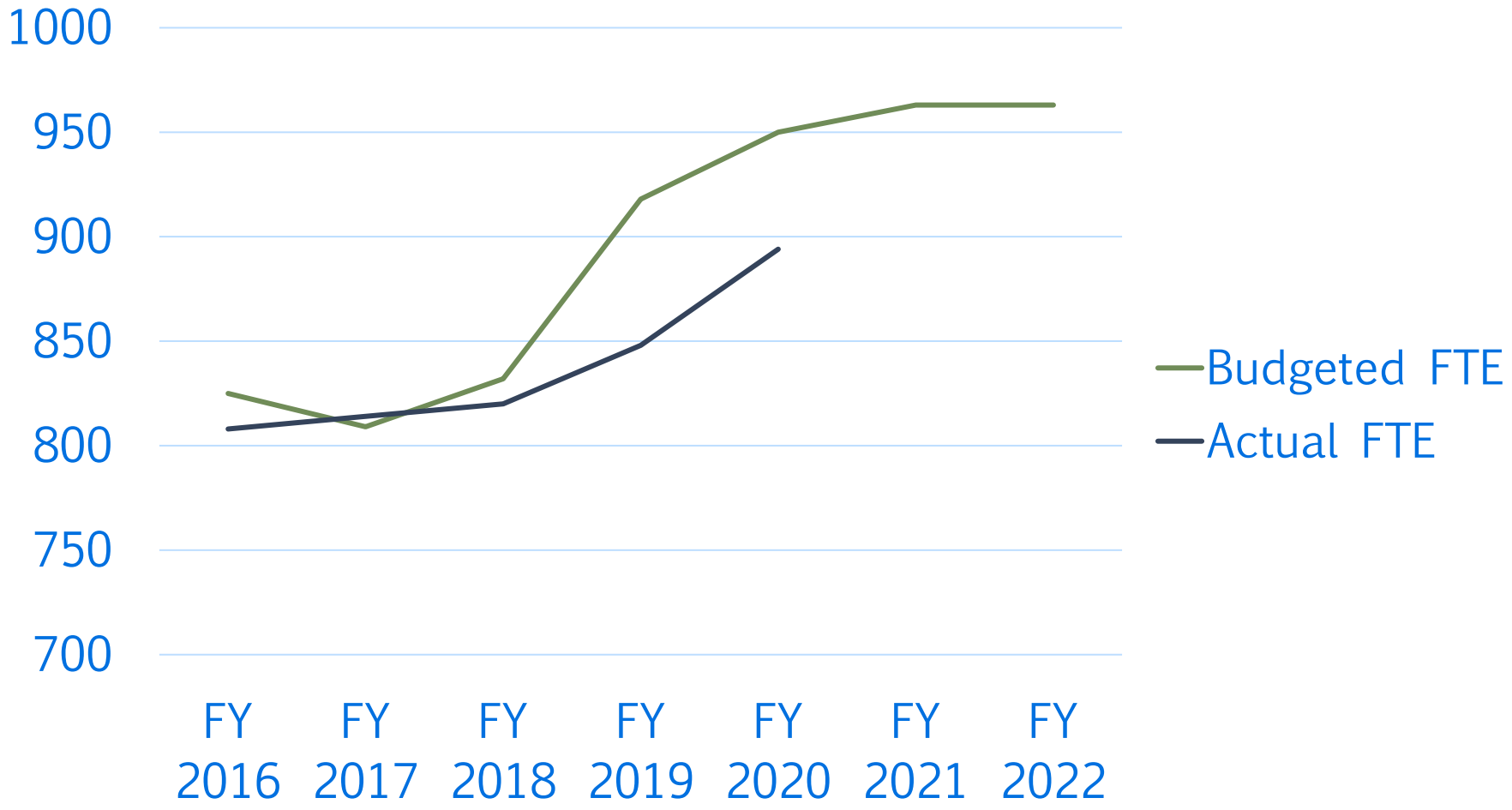




Substance Abuse and Mental Health Expenditures by Category



Substance Abuse and Mental Health Full-Time Equivalents



Substance Abuse and Mental Health
Major New Ongoing Appropriations, General Fund

- 2021 General Session
  - $881,000 - USH Forensic Unit Salaries
  - $17.8 million - SB 155, 988 Crisis Line
  - $350,000 - HB 336, Suicide Prevention
  - $1.5 million - HB 337, Child Mental Health
  - $1.4 million - SB 161, Mental Health Inflation
  - $4.9 million - USH Forensic Unit
- 2020 General Session
  - $10.5 million - HB 32, Mental Health Crisis Services
  - $1.3 million - Operation Rio Grande
- 2019 General Session
  - $1 million - Family Treatment Programs
  - $600,000 - HB 393, Suicide Prevention
- 2018 General Session
  - $4.6 million - USH Forensic Unit
  - $2.6 million - HB 370, Mobile Crisis Outreach Teams
  - $2.4 million - HB 41, Crisis Line Services
  - $600,000 - USH Psych Tech Salaries

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Substance Abuse and Mental Health Performance Measures

Outcome Measures														
	Increased Alcohol Abstinence - Percent increase in those reporting alcohol abstinence from admission to discharge		Increased Drug Abstinence - Percent increase in those reporting other drug abstinence from admission to discharge		Increase in Stable Housing - Percent increase in non-homeless clients admission to discharge		Increased Employment - Percent increase in those employed full/part time or student from admit to discharge		Decreased Criminal Justice Involvement - Percent decrease in number of clients arrested prior to admission vs. prior to discharge		Social Support Recovery - Percent increase in those using social recovery support		Tobacco Use Percent decrease in number of clients reporting tobacco use from admission to discharge	
LSAA	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020
Bear River	85.8%	86.6%	251.5%	252.1%	0.2%	0.1%	18.4%	14.2%	58.2%	17.5%	114.8%	82.5%	8.5%	2.4%
Central Utah	31.1%	16.3%	121.6%	118.7%	2.0%	0.7%	11.0%	18.3%	68.2%	65.3%	42.3%	15.2%	1.3%	-4.9%
Davis County	24.0%	29.0%	177.9%	209.3%	1.2%	0.9%	23.3%	50.5%	78.4%	90.0%	17.0%	9.4%	-7.6%	3.9%
Four Corners	19.6%	12.9%	178.4%	116.1%	3.3%	5.1%	71.4%	46.5%	61.5%	57.4%	30.8%	13.1%	7.8%	0.3%
Northeastern	40.6%	46.3%	148.0%	150.2%	4.0%	1.7%	38.2%	24.0%	59.0%	58.6%	-48.6%	-9.4%	-0.5%	8.6%
Salt Lake County	14.8%	12.8%	90.4%	81.7%	20.5%	20.8%	44.8%	36.4%	52.5%	57.6%	66.5%	81.2%	7.5%	6.2%
San Juan County	114.3%	200.0%	80.0%	74.9%	4.2%	*	17.6%	0.0%	83.3%	92.3%	294.7%	0.0%	0.0%	9.0%
Southwest Center	88.0%	85.1%	459.8%	339.7%	4.4%	0.5%	27.7%	28.2%	35.2%	18.3%	29.1%	22.6%	-2.2%	5.2%
Summit County	36.2%	23.2%	27.7%	-12.4%	0.0%	2.4%	5.0%	0.0%	0.0%	-33.0%	100.0%	100.0%	-3.2%	0.0%
Tooele County	8.4%	14.5%	47.2%	40.5%	-0.4%	1.1%	0.0%	-2.8%	11.3%	0.0%	46.5%	5.1%	3.8%	12.5%
Utah County	4.6%	9.0%	55.6%	51.1%	5.6%	7.9%	37.1%	25.2%	55.2%	57.5%	5.9%	4.0%	6.1%	0.6%
Wasatch County	53.1%	65.4%	128.1%	179.5%	*	0.0%	9.6%	11.3%	56.7%	69.9%	19.8%	31.2%	4.2%	-9.4%
Weber Human Services	45.6%	42.7%	348.5%	292.2%	1.9%	1.0%	29.5%	40.1%	54.8%	66.1%	6.7%	11.4%	-0.6%	0.7%
State Average/Total	24.5%	23.8%	123.6%	115.4%	9.1%	9.6%	30.6%	31.3%	61.1%	66.2%	37.7%	43.7%	4.2%	4.0%
State Urban Average/Total	18.8%	17.5%	113.9%	103.3%	12.1%	13.0%	36.6%	37.9%	62.4%	70.4%	39.9%	51.8%	4.3%	4.5%
State Rural Average/Total	47.1%	48.6%	154.9%	161.7%	1.7%	1.1%	20.3%	18.8%	57.7%	49.8%	29.8%	19.7%	4.0%	3.2%
National Average/Benchmark	10.5%	8.9%	19.7%	13.6%	2.8%	3.0%	14.5%	12.1%	35.7%	24.4%	36.4%	37.0%		
Male	28.0%	26.8%	115.8%	112.0%	10.2%	10.7%	27.5%	25.0%	61.8%	65.6%	41.4%	53.7%	5.1%	3.7%
Female	19.8%	19.1%	137.5%	122.3%	7.3%	7.7%	38.2%	46.0%	60.3%	66.9%	31.7%	28.7%	2.7%	4.7%
Adolescents	24.3%	21.3%	212.9%	122.9%	-0.9%	0.0%	-3.0%	-0.6%	59.9%	65.5%	5.3%	7.7%	-0.2%	-2.2%
Drug Court	20.3%	21.0%	147.1%	135.7%	10.3%	10.7%	107.5%	86.3%	64.1%	67.2%	48.0%	50.5%	2.8%	1.3%
Justice Involved	24.9%	25.9%	125.0%	124.7%	9.5%	9.4%	31.9%	34.4%	62.9%	70.0%	39.1%	52.8%	4.8%	4.1%
Heroin & Other Opiates Primary	4.9%	6.3%	184.1%	174.1%	13.1%	13.4%	69.8%	68.3%	55.1%	59.5%	34.3%	32.5%	3.0%	3.0%

https://dsamh.utah.gov/scorecards

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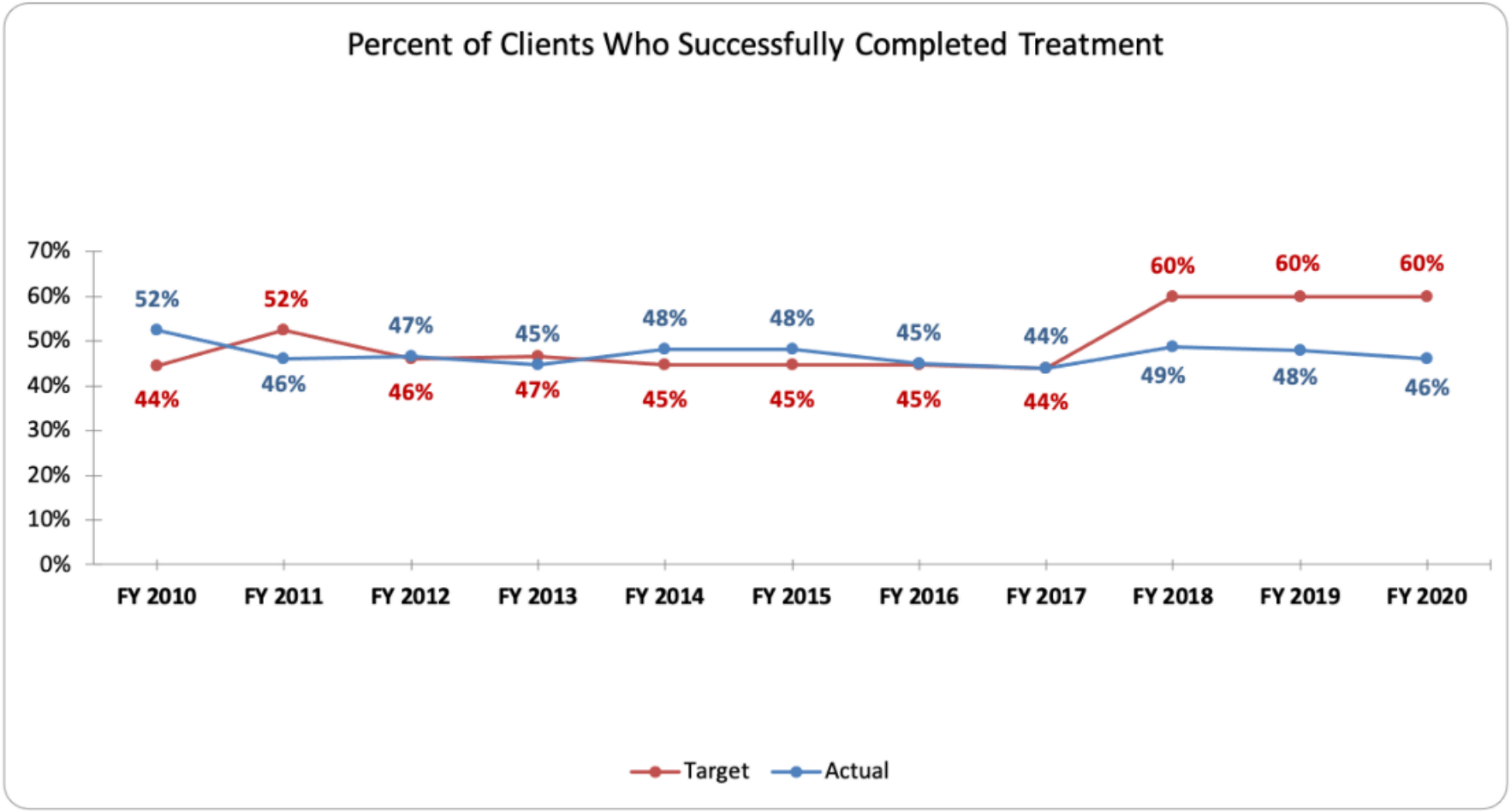
Substance Abuse and Mental Health Performance Measures



Recommendations for Further Study

#1b. Review passthrough funding methodologies and effectiveness

- How much is spent on administration to oversee contracts? Why? Should we standardize?
- How is funding distributed? Formulas, applications, committees, etc. Are there better ways based on the objective of the funding?
- How do we know if the Legislature's goals are being met, particularly with large recent appropriations? How are data reported? Are the goals being met?
- Is state-level oversight sufficient achieve legislative objectives? Are statutory or rule changes needed?

  - *DHS Response: Support. We support this recommendation and believe that many of these questions will be answered and addressed through the DHS/DOH consolidation efforts.*

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Recommendations for Further Study

#12. Review performance measures reported by locals

- What measures are reported?
- Are the measures meaningful? Do they actually tell us the impact of treatment of prevention activities? Can they be improved? Or streamlined?
- Is the burden and value of reporting balanced? Should there be more measures, or fewer?
- Is data quality sufficient? There is wide variance in the results reported.

  - *DHS Response: Support. We support this recommendation and believe that many of these questions will be answered and addressed in the next 1-3 years during the consolidation process.*

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Recommendations for Further Study

#13. Develop a plan to streamline funding with DHHS consolidation

- Currently passthroughs to locals, especially related to Medicaid, are complex. How can this be improved with the coming agency consolidation?

  - *DHS Response: Support. Healthcare financing is complex. We support this recommendation and believe that the complexity of health and behavioral healthcare financing will be answered and addressed through the DHS/DOH consolidation efforts.*

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Recommendations for Further Study

#14. Review funding streams contributing to locally-provided services

- What is the funding mix for selected local programs, such as drug courts and receiving centers? How does this vary by county?
- Are the current state, federal, local, etc. contributions in the correct ratio?
- How is the statutory county contribution implemented? What are the exceptions?
- Is the statutory county contribution the right amount? The right mechanism? Should there be changes to the statute?

  - *DHS Response: Support. Healthcare financing within the criminal justice population, safety net population, health disparity populations and other populations is incredibly complex. State, Federal and Local contributions as well as the role of private and commercial insurance coverage for behavioral health conditions all play a role in access to locally provided services. Behavioral healthcare financing is closely tied to crisis response. We would recommend combining #13 with #14 and we support and recommend prioritizing this recommendation.*

LFA

Recommendations for Further Study

#15. Consider consolidation of crisis services appropriations

- Appropriations are spread between DSAMH, the University of Utah, schools, and other entities. Should state funding for mental health crisis services be organized differently?

  - *DHS Response: Support. Crisis response is closely tied to behavioral health care financing. We would recommend combining #13 with #14 and we support and recommend prioritizing this recommendation.*

LFA

Recommendations for Further Study

#16. Review budget pressures from behaviorally complex youth and adults

- A small number of individuals in DHS care, particularly at the Utah State Hospital, have complex needs that are highly resource-intensive, such as requiring 3:1 staffing 24 hours per day. Once in care, DHS has limited options for finding another placement and for managing the cost.
- What are other options for placements? How could the barriers to these placements be addressed?
- How could the budget uncertainty be mitigated?
- How can the needs of these individuals be addressed at an earlier, less acute stage?

  - *DHS Response: Support. USH supports and recommends prioritizing this recommendation. We believe it involves many other state and local partners. This is a critical issue for the state and needs to be addressed.*

LFA

Recommendations for Further Study

#17. Review changing patient mix and bed availability at the Utah State Hospital

- With the legal requirements to serve forensic patients more quickly, and process changes to move unrestorable forensic patients to the civil side of USH, fewer civil beds are available for locals to send their patients to.
- To what extent will this issue be addressed by the new appropriation for an additional wing, which will be fully funded in FY 2023?
- What are the budget implications for locals who cannot refer individuals to USH? Where do these individuals go?
- What are the implications for the treatment effectiveness and budget of USH?

  - *DHS Response: Support. USH supports and recommends prioritizing this recommendation. This has been a primary concern impacting access to services for the seriously mentally ill and would address significant gaps in services.*

LFA

End of Human Services Slides

Department of Workforce Services – Office of Homeless Services

- During the 2021 General Session, House Bill 347 created the Homeless Services Office within the Department of Workforce Services and a state homeless coordinator position within the Governor's Office of Planning and Budget. The bill also created the Utah Homelessness Council, defined the duties of the Council, and repealed the State Homeless Coordinating Committee, effective July 1, 2021.

DWS – Office of Homeless Services

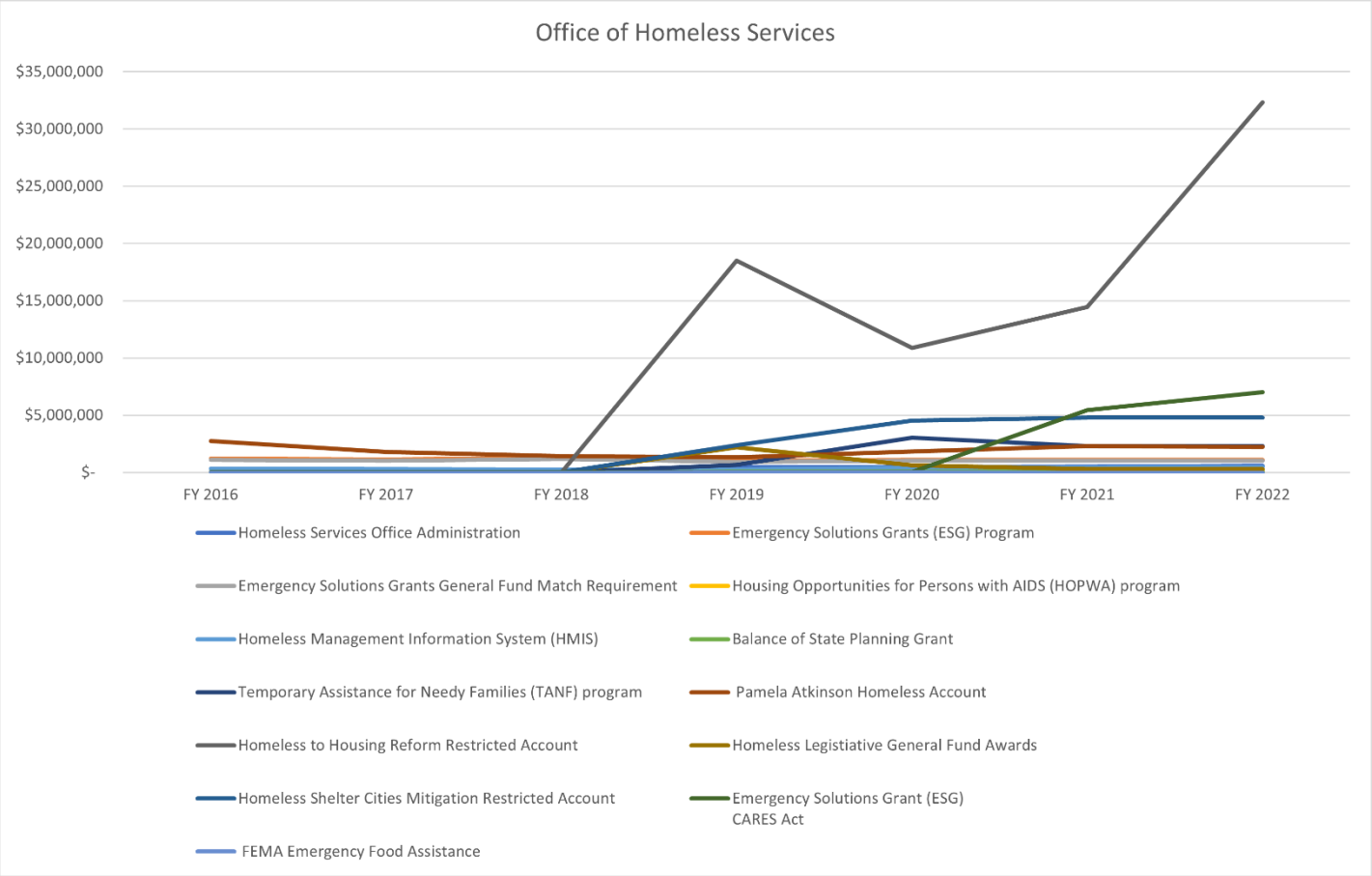
- The State Homeless Coordinating Committee (SHCC) provides oversight and approves allocations of state and federal funds to providers of homeless services throughout the State. The SHCC ensures that services provided to the homeless are utilized in a cost-effective manner and works to facilitate a better understanding of homelessness.

- Programs are devoted to emergency housing, self-sufficiency, placement in employment or occupational training activities, and special services to meet unique needs of the homeless with mental illness and those who are part of families with children. Contracts are awarded to providers based on need, diversity of geographic location, coordination with or enhancement of existing services, and the use of volunteers.

- SHCC resources include monies from the Homeless to Housing Reform Restricted Account, Housing Opportunities for Persons with AIDS (HOPWA) program, Temporary Assistance for Needy Families (TANF) program, Pamela Atkinson Homeless Account, Homeless Shelter Cities Mitigation Restricted Account, and the Emergency Solutions Grants (ESG) program. The Homeless Management Information System (HMIS) is federally mandated by the U.S. Department of Housing and Urban Development (HUD) for use by the continuum of Care (CoC) and providers who receive homelessness funding. It is the primary data system for homelessness in the state and is used for federal and state performance measures and outcomes.

LFA

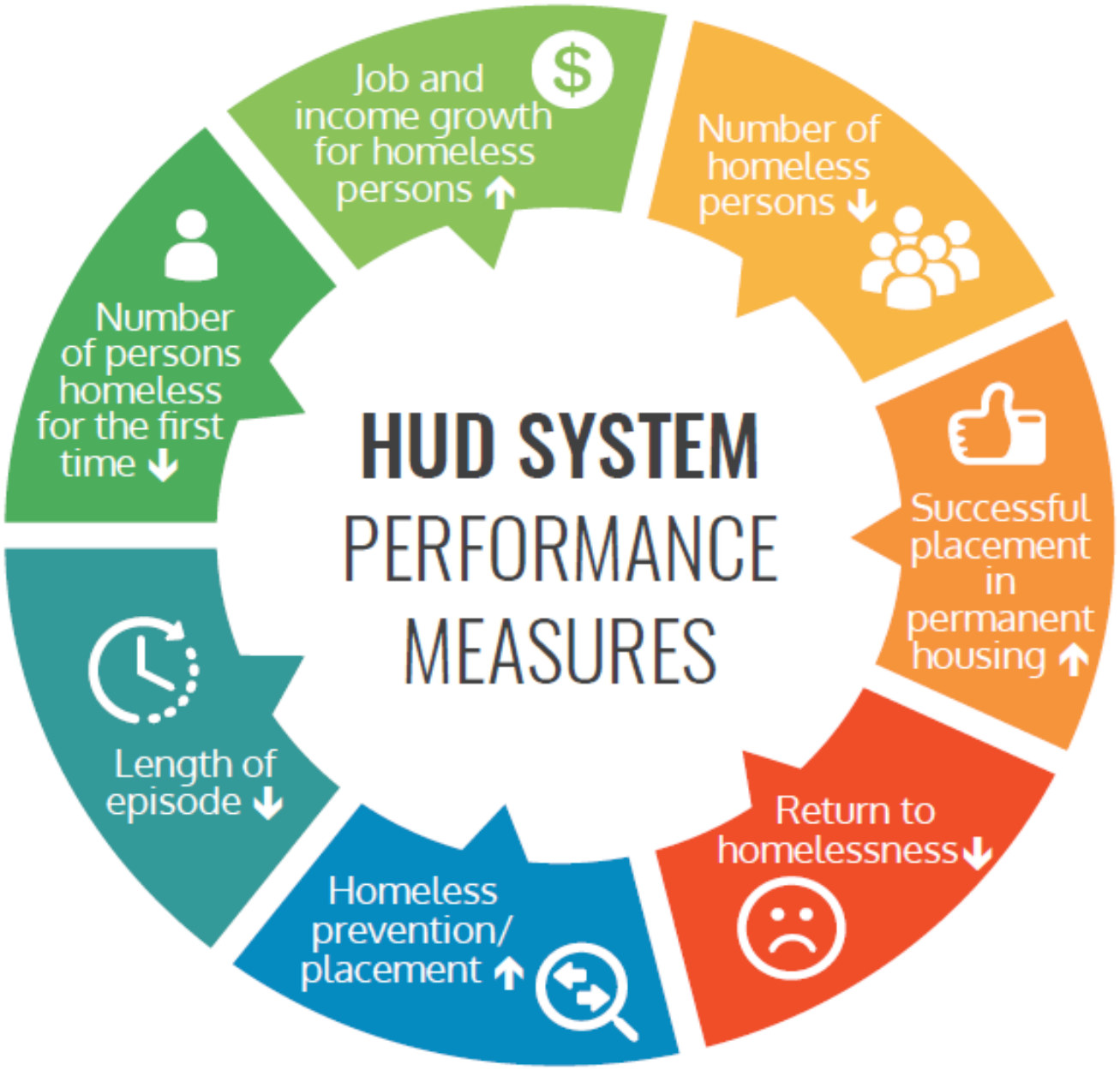
DWS – Office of Homeless Services



DWS – Office of Homeless Services Performance

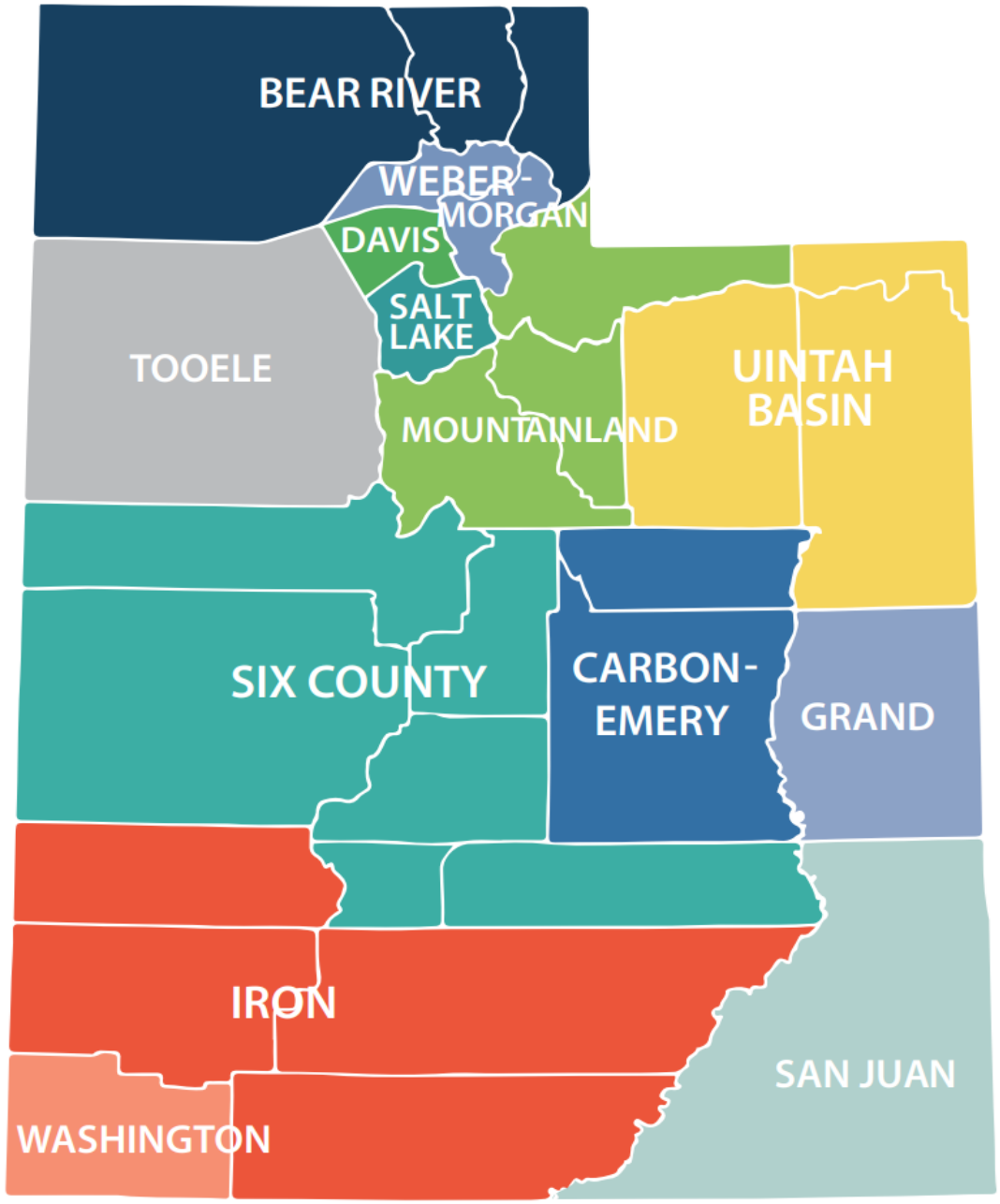
- Current performance measure:
  - (1) Homelessness Programs -- reduce the average length of stay in emergency shelters (target 10%).

How do we measure success?



2020 Congressional Report

https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-1.pdf



Continuum of Care

Balance of State — 11 LHCCs

- 25 Counties throughout the state

Mountainland — 1 LHCC

- Summit County
- Utah County
- Wasatch County

Salt Lake County — 1 LHCC

- Salt Lake County
- Salt Lake Valley Coalition to End Homelessness

LFA

Homeless Services – Recent Appropriations

- FY 2022:
  - Sale of Rio Grande Property -- $7.0 million one-time in FY 2021 from proceeds from the sale of the land located at 210 South Rio Grande Street, Salt Lake City to be used as follows: 50 percent to assist a nonprofit entity that owns three or more homeless shelters in paying off a loan taken out by the entity to build a homeless shelter; and 50 percent to provide funding for the ongoing operations of one or more homeless services resource centers and for overflow costs. This item is associated with H.B. 440, "Homeless Shelters Funding Amendments" (2020 General Session);
  - Homeless Funding -- $15.0 million one-time from the General Fund for the Homeless to Housing Reform Restricted Account to match $15.0 million from philanthropic, community, and local government sources to support direct homeless services and associated homeless service system needs statewide.
- FY 2021:
  - Pamela Atkinson Homeless Trust Fund --$400,000 one-time in FY 2020 and one-time in FY 2021 for the State Homeless Coordinating Committee to allocate to non-profit and/or government agencies to provide services to homeless individuals;
  - H.B. 440, "Homeless Shelters Funding Amendments" -- $6.0 million one-time in FY 2020 from proceeds from the sale of the land located at 210 South Rio Grande Street, Salt Lake City to be used as follows: (1) 50 percent to assist a nonprofit entity that owns three or more homeless shelters in paying off a loan taken out by the entity to build a homeless shelter; and (2) 50 percent to provide funding for the ongoing operations of one or more homeless services resource centers and for overflow costs;
  - S.B. 244 "Homeless Shelter Service Sharing"-- $1.5 million one-time from the General Fund to improve the electronic Homeless Management Information System to collect accurate, client-level data on provision of housing and serve as a case management system for individuals and families experiencing homelessness;
  - Criminal Justice/Vulnerable Population Homeless Shelter Funding Amendments -- $1.5 million one-time in FY 2021 from Executive Offices and Criminal Justice Appropriations Subcommittee to the Housing and Community Development line item for ongoing operations of one or more homeless services resource centers and for overflow costs;
- FY 2020:
  - Lantern House -- $300,000 one-time; funds will be used for operation costs and safety and security upgrades for the homeless population in northern Utah;
  - The Switchpoint Community Homeless Resource Center -- $300,000 one-time; funds will help support ongoing efforts to provide housing, food, and training for the homeless population in Washington County;
  - United Way of Northern Utah Community Resource Building -- $200,000 one-time to complete the purchase of the facility;
  - H.B. 203, "Homeless Shelter Funding Revisions" -- $101,300 one-time and ($198,200) ongoing restricted revenue to the Homeless Shelter Cities Mitigation Restricted Account, due to changes in eligibility for funds and requirements for counties to contribute tax revenue;

Homeless Services – Recent Appropriations (cont.)

- FY 2019:
  - Homeless Health and Wellness Program -- $750,000 one-time; funds used to support initiatives that contribute to the health and wellbeing of homeless individuals;
  - Pamela Atkinson Homelessness Trust Fund (PAHTF) -- $560,000 one-time authority in FY 2018 and FY 2019 from the PAHTF restricted account; provides for case managers for the chronically homeless;
  - The Inn Between -- $975,000 one-time and $100,000 ongoing; funds go toward building acquisition and program support to expand medical beds available to medically frail and terminally ill homeless individuals;
  - The Switchpoint Community Homeless Resource Center -- $300,000 one-time; funds will help support ongoing efforts to provide housing, food, and training for the homeless population in Washington County;
  - Work is the Way Initiative -- $160,000 ongoing; funding goes towards culinary job training at homeless resource centers to provide certification and a career pathway for homeless individuals;
  - H.B. 462, "Homeless Services Amendments," -- $600,000 from the Homeless to Housing Reform Restricted Account; provides matching funds for operational costs of homeless resource centers;
  - S.B. 196, "Homeless Identification Documents,“ -- $4,800 ongoing; provides funding for the department to verify homeless status of individuals seeking to waive fees to obtain certain types of identification documents;
  - S.B. 235, "Homeless Shelter Funding Amendments," -- $2.5 million from the Homeless Shelter Cities Mitigation Restricted Account and $13,200 from the General Fund; funds to be used to provide grants to municipalities or the Department of Public Safety to mitigate the public safety impact of the homeless resource center.

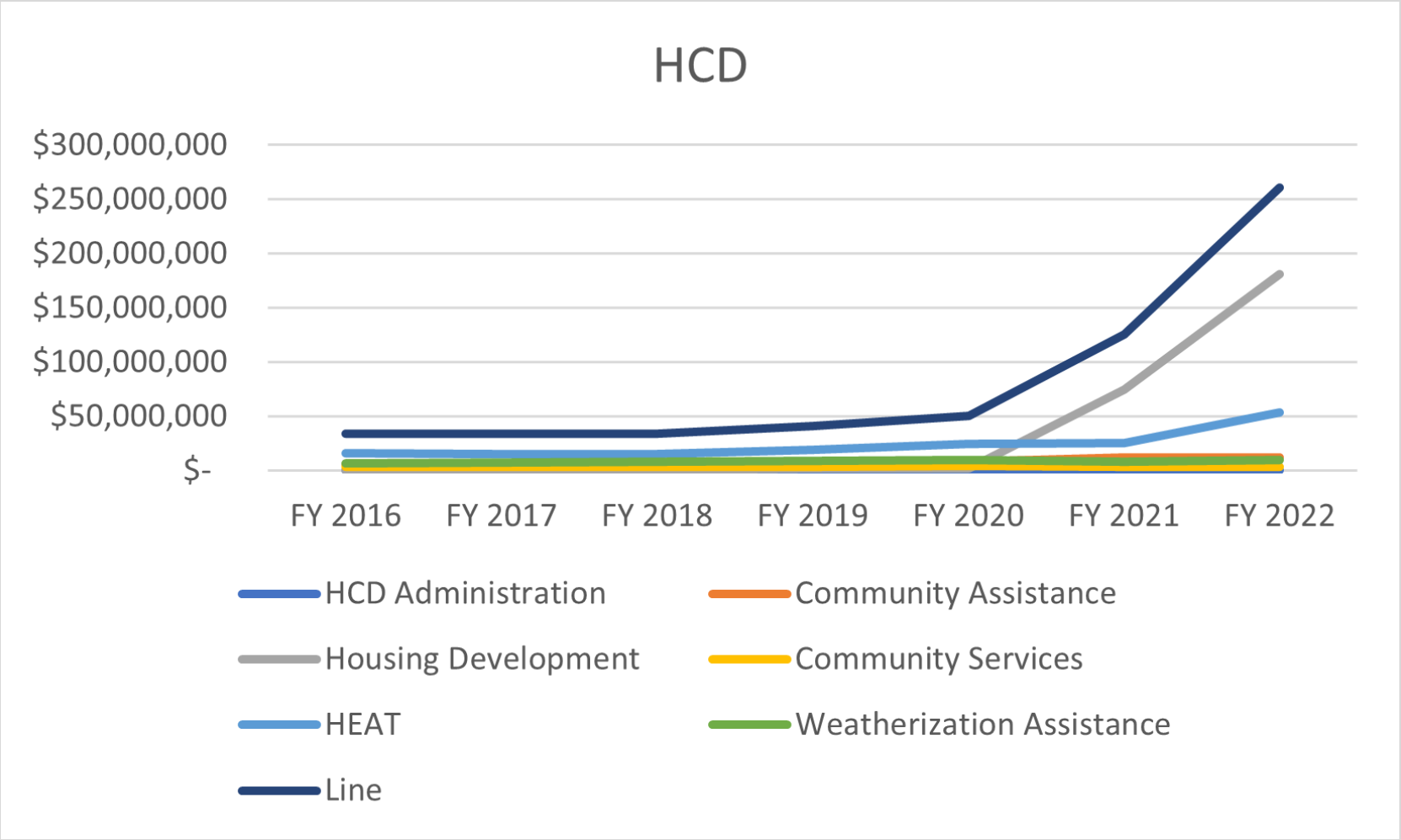
LFA

Department of Workforce Services – Housing and Community Development

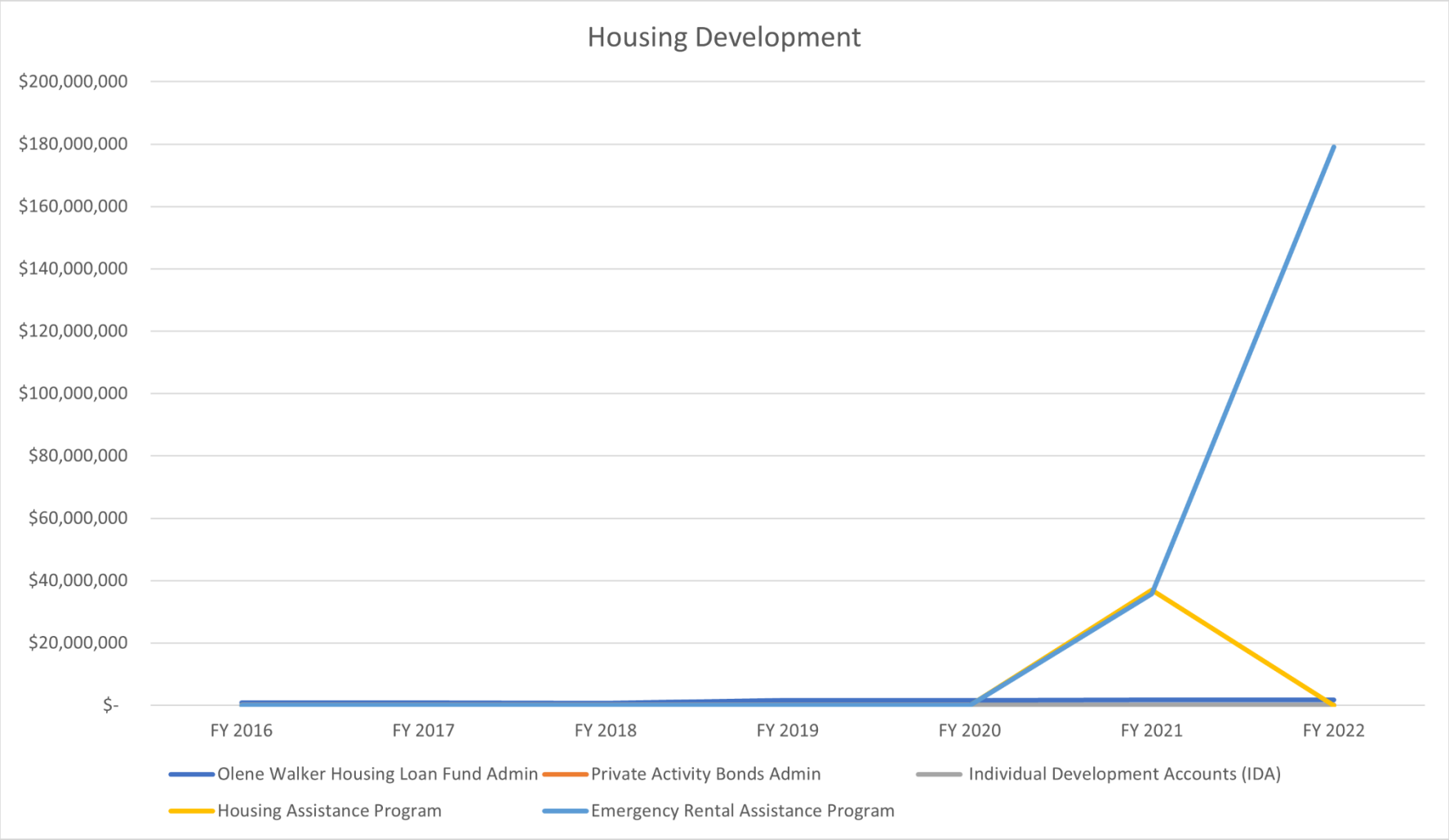
Programs

- Administration: oversee all aspects of the division's housing and community development programs and activities to ensure compliant, efficient, and accurate administration of those programs and activities
- Community Assistance: builds local capacity to help communities become self-reliant, self-determined, and prepared for the future.
  - Community Development Block Grant
  - Administration for Uintah Basin Revitalization Fund, Navajo Revitalization Fund, Permanent Community Impact Fund Board, Private Activity Bonds
  - Community Development Office Planners
- Housing Development Division: assists in funding affordable housing by administering various state and federal programs, grants, and loans including the Individual Development Accounts (IDA) program and the Private Activity Bond (PAB) program;
- Community Services: provides guidance, oversight, and funding to strengthen communities by assisting people to become more self-sufficient socially, physically, culturally, and economically by reducing poverty and improving the quality of life for low-income Utahns.
- Home Energy Assistance Target Program: help low-income people meet the costs of home energy (defined as heating and cooling of residences), increase their energy self-sufficiency, and reduce their vulnerability resulting from energy needs.
- Weatherization: helps low-income individuals and families reduce energy costs and increase comfort and safety in their homes; administered through eight government and nonprofit agencies

TRENDS


HCD
$300,000,000
$250,000,000
$200,000,000
$150,000,000
$100,000,000
$50,000,000
$-
FY 2016
FY 2017
FY 2018
FY 2019
FY 2020
FY 2021
FY 2022
HCD Administration
Community Assistance
Housing Development
Community Services
HEAT
Weatherization Assistance
Line

Housing Development Trends

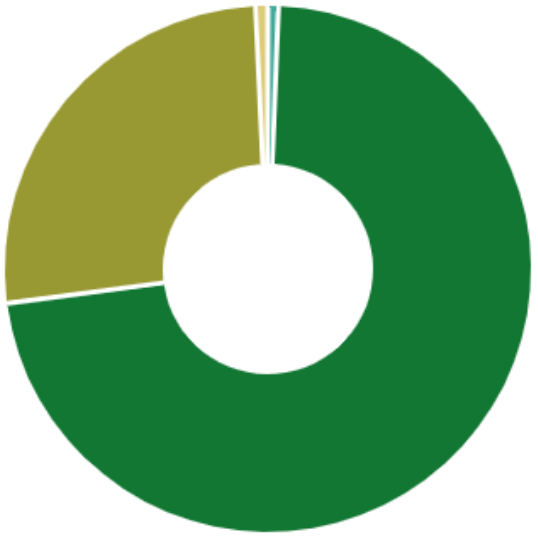


Housing Development Funding Sources

FY19-20 Sources - $3.19M

- General Fund *($716,200)*
- Federal Funds *($970,800)*
- Other *($1,500,000)*

FY21-22 Sources - $417.17M



- General Fund *($1,507,000)*
- Federal Funds *($303,742,300)*
- Dedicated Credits *($109,909,100)*
- Other *($2,016,400)*

Current Performance Measures - HCD

1) Utilities assistance for low-income households - number of eligible households assisted with home energy costs (Target = 28,000 households);
2) Weatherization Assistance - number of low income households assisted by installing permanent energy conservation measures in their homes (Target = 504 homes); and
3) Homelessness Programs - reduce the average length of stay in Emergency Shelters (Target 10%).

LFA

Olene Walker Housing Loan Fund

- The Olene Walker Low Income Housing supports quality affordable housing options that meet the needs of Utah's individuals and families and is a revolving loan fund. Affordable housing for this program means that a household spends no more than 30% of income on all housing costs (including utilities).
- The objective of the fund is to develop housing that is affordable with program rents and income limits defined by Housing and Urban Development (HUD).
- In addition to General Fund, federal funds from the HUD Home Funding program and the National Housing Trust Fund go to the Olene Walker Housing Fund. The General Fund appropriation is used as a match for the Home Funding program.

DWS – Olene Walker Housing Loan Fund

FY21-22 Sources - $74.96M

- General Fund *($38,542,900)*
- Federal Funds *($33,321,500)*
- Dedicated Credits *($3,100,000)*

HCD and Olene Walker – Recent Appropriations

- FY2022:
  - **H.B. 82, "Single-Family Housing Modifications"** -- $500,000 one-time to the Olene Walker Fund in FY 2022 for program implementation and establishment of a loan reserve and $5,700 one-time to the Olene Walker Fund in FY 2021 for personnel costs to establish a loan guarantee program;
  - Utah County Permanent Supportive Housing -- $750,000 one-time in FY 2022 to construct 72 one-bedroom rental units in Utah County through a public-private partnership
  - **S.B. 164, "Utah Housing Affordability Amendments"** -- $800,000 one-time in FY 2022 as follows: $500,000 for grants to offset rural project soft costs for affordable housing projects and $300,000 for eviction mitigation efforts; and
  - Affordable Housing -- $35.0 million one-time from the General Fund to the Olene Walker Housing Fund for gap financing of private activity bond financed multi-family housing and matching private dollars for the preservation and rehabilitation of affordable housing units for low-income individuals. This budget item includes a reinstatement of $5.0 million that the Legislature cut in S.B. 39, "Affordable Housing Amendments" (2020 General Session) as part of the State's economic response to the COVID-19 pandemic.
- FY 2021:
  - **S.B. 39, "Affordable Housing Amendments"** -- $5.0 million one-time in FY 2021 from the General Fund for gap financing of private activity bonds financed multi-family housing and matching private dollars for the preservation or construction of affordable housing units for low-income individuals (2020 GS Orig. $10.0 million one-time).
- FY 2019:
  - H.B. 430, "Affordable Housing Amendments," -- $6,900 ongoing; funds per diem and travel costs for members of the newly-created Commission on Housing Affordability

Intermountain Weatherization Training Fund

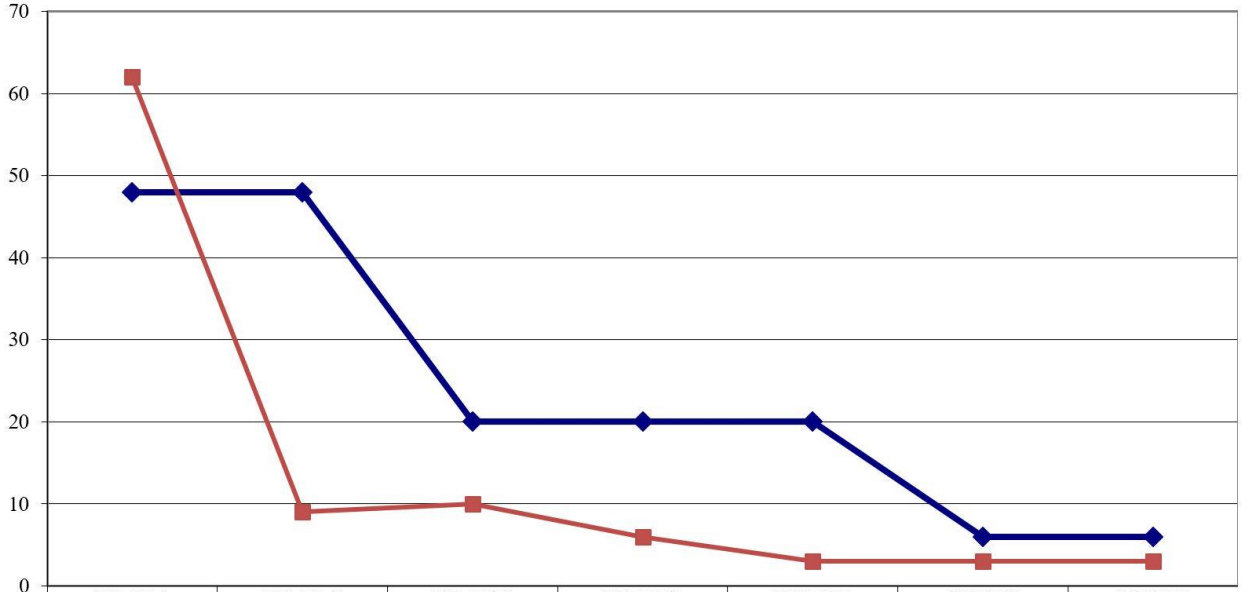
- Funds are spent for the administration, operation, maintenance, and support of the Intermountain Weatherization Training Center.
- Money in the fund may come from private contributions, donations, grants, fees, funds appropriated by the Legislature, and earnings on fund money.

DWS – Intermountain Weatherization Training Fund

FY21-22 Sources - $69.80k

- Dedicated Credits *($69,800)*
- Other *($0)*

PM: Individuals Receiving Training Certifications



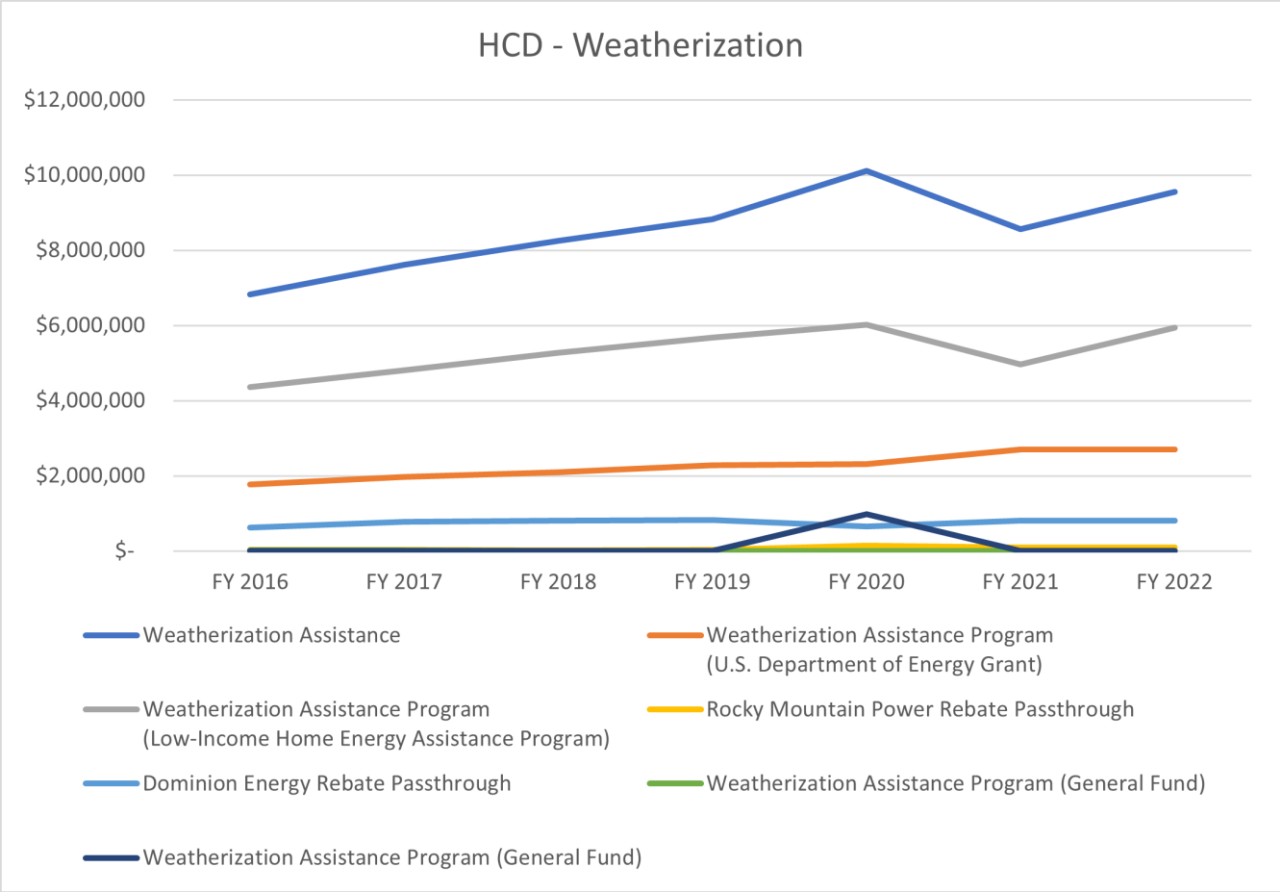
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Target	48	48	20	20	20	6	6
Actual	62	9	10	6	3	3	3

Agency Comment "This measure is specific to the training of private contractors. The IWTF trains private contractors but it is a secondary focus to the primary mission of training Weatherization personnel so that they can deliver the program locally. DWS provides training and certification to private individuals to match industry need, but requests have reduced significantly in the last four years. Market demand is dictated by the renewal cycle of certifications."

DWS – Weatherization Appropriations

- FY 2020
  - Utah Weatherization Assistance Program -- $1.0 million one-time for assistance to low-income families related to home weatherization and energy efficiency;

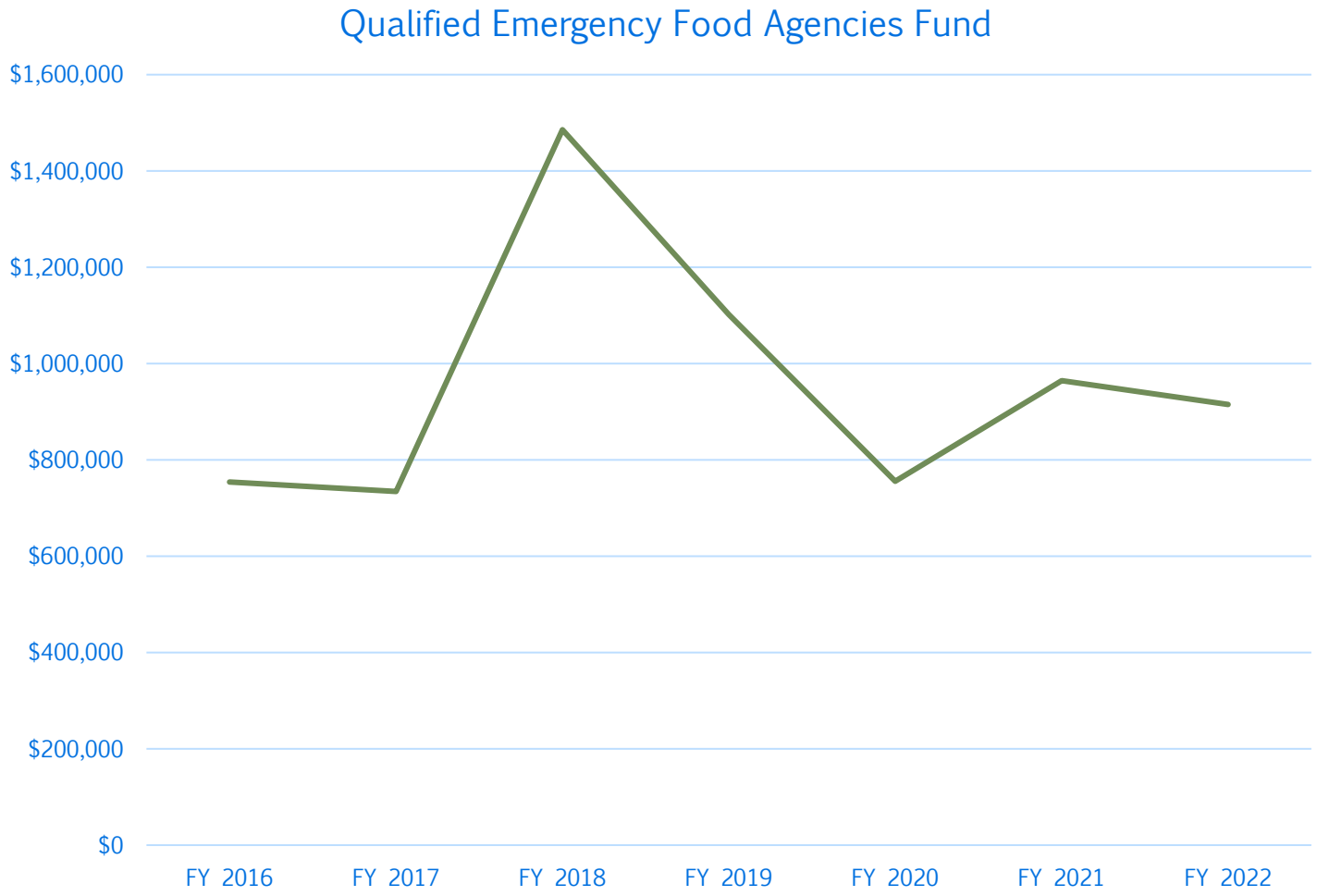
DWS – Weatherization Trends



Qualified Emergency Food Agencies Fund

- Funds are distributed to qualified emergency food agencies within Utah. Distributions received from the fund must be expended by the qualified emergency food agency only for a purpose related to (1) warehousing and distributing food and food ingredients to other agencies and organizations providing food and food ingredients to low-income persons, or (2) providing food and food ingredients directly to low-income persons.
- Qualified emergency food agencies apply for funding based upon their needs. The Housing and Community Development Division awards funding in amounts that do not exceed the fund's available cash balance at the beginning of the fiscal year plus any sales and use tax that will be deposited into the fund during the fiscal year.
- Sales Tax Revenue

Qualified Emergency Food Agencies Fund



Action: Recommendations and Follow-Up

- Establish two additional performance measures for the Office of Homeless Services line item
- Establish one additional performance measure for the Housing and Community Development line item
- Establish one additional performance measure for the Intermountain Weatherization Training Fund
  - Agency response:
    - Supports. Recommends adding the following performance measure: Excluding contractors, the total number of weatherization assistance program individuals trained.
      - With this additional PM, the new PM added to the existing PM would equal total individuals trained at the center.

LFA

Recommendations for Further Study

#1c. Review passthrough funding methodologies and effectiveness

- How much is spent on administration to oversee contracts? Why? Should we standardize?
- How is funding distributed? Formulas, applications, committees, etc. Are there better ways based on the objective of the funding?
- How do we know if the Legislature's goals are being met, particularly with large recent appropriations? How are data reported? Are the goals being met?
- Is state-level oversight sufficient achieve legislative objectives? Are statutory or rule changes needed?

LFA

Recommendations for Further Study

#18. Review alignment of performance measures with federal reporting

- Are performance measures and reporting aligned with data provided to the federal government? Should there be more overlap between reporting to the state and federal government?
- How are data reported? Are legislative goals being met?

Recommendations for Further Study

#19. Research How Data are Reported by Local Entities

- Are data collected from local entities comparable? What are some potential areas for standardization of data?
  - For example, standardize how LHCCs report on number of available affordable housing units
- Are best practices shared at the local level? What areas exist for better coordination?
- How are data reported? Is data quality sufficient? Are reported measures meaningful? Do they tell us the impact of activities? Can they be improved or streamlined?
  - Are legislative goals being met?
- Is the burden and value of reporting balanced? Should there be more measures or fewer?

Recommendations for Further Study

#20. Research mechanisms for affordable housing

- What mechanisms are available to address affordable housing?
- What approaches have been effective in other states?
- Which mechanisms align with different policy goals?
- How could funds be used more strategically?

Recommendations for Further Study

#21. Understanding contributing factors and approaches to homelessness

- What are contributing factors to homelessness in Utah?
- Demographics of the current homeless population
- What best practices are used in other state to address homelessness?
- What are system-wide approaches to homelessness? How does it relate to affordable housing?

Recommendations for Further Study

#22. Review funding streams

- What is the funding mix for local programs? How does this vary by county or local entity?
- Are the current state, federal, local, etc. contributions in the correct ratio?

Items for Further Study

- Are there any other areas you would like to focus on in the October subcommittee meeting?

Selection of Topics for Further Study
How Do You Want to Spend Your October Meeting Time?

ALL AGENCIES

1. Passthrough Funding
   a. Local Health Departments
   b. Local substance abuse and mental health services
   c. Homelessness, Affordable Housing, Weatherization, QEFAF

HEALTH

2. Traumatic Brain Injury Fund
3. Cannabis licensees auto renewal
4. Remote testimony for court cases
5. Phenylketonuria
6. Gonorrhea rates
7. Smoking funding
8. Health's inbound call center
9. Youth tobacco sales
10. Asthma (children focus, data, number and what being done to help)
11. Traumatic brain injury cost sharing

HUMAN SERVICES

12. Local performance measures
13. Funding stream organization for state/federal funds
14. Funding mix for local services
15. Organization of crisis services appropriations
16. Budget issues with behaviorally complex clients
17. Patient mix and bed availability at State Hospital (cost analysis and outcomes of a step down for long term clients)

WORKFORCE SERVICES

18. Performance measure alignment with federal reporting
19. Local data reporting
20. Mechanisms for addressing affordable housing and housing affordability
21. Contributing factors of homelessness
22. Review of funding streams

Green highlight = approved by Social Services.

LFA