

Program 010

DSHS - Children's Administration

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2007-09 Expenditure Authority	2,839.7	641,360	484,839	1,126,199
Supplemental Changes				
Federal Funds Technical Adjustment				
Targeted Case Management Service Definition Change		17,389		17,389
Expedite 30-Day Visit Phase-in	8.3	803	345	1,148
Safety Assessments		462	198	660
Build in Federal Grant Authority			2,317	2,317
Reduced Federal Financial Participation		1,806	(1,806)	
Pension Plan 1 COLA Funding		52	27	79
PEBB Rate Reduction		(3,494)	(1,800)	(5,294)
Interagency Rate Changes		62	26	88
Mileage Rate Adjustments		100	44	144
Postage Rate Adjustments		36	16	52
Mandatory Caseload Adjustments		(12,263)	14,397	2,134
FMAP Match Adjustment		219	(219)	
Transfers	(7.6)	3,127	16,727	19,854
Subtotal - Supplemental Changes	0.7	8,299	30,272	38,571
Total Proposed Budget	2,840.4	649,659	515,111	1,164,770
Difference	.7	8,299	30,272	38,571
Percent Change	0.0%	1.3%	6.2%	3.4%

SUPPLEMENTAL CHANGES

Federal Funds Technical Adjustment

A technical adjustment is made to properly align expected federal earnings between federal fund types. (General Fund-Federal)

Targeted Case Management Service Definition Change

On November 30, 2007, the Centers for Medicare and Medicaid Services (CMS) provided clarification of the Medicaid definition of covered case management and targeted case management (TCM) services. CMS now excludes the administration of the foster care program, child welfare, and child protective services from the definition of case management. Funding is provided to maintain current levels of services.

Expedite 30-Day Visit Phase-in

Funding is provided to expedite the phase-in of staff to achieve the goal of face-to-face contact with children, parents, and/or caregivers every 30 days by May 2008, for both in-home dependencies and out-of-home placements. (General Fund-State, General Fund-Federal)

HUMAN SERVICES - DSHS

Safety Assessments

Funding is provided to conduct comprehensive safety assessments of high-risk families receiving in-home child protective services or family voluntary services. These safety assessments will use validated assessment tools to guide intervention decisions through the identification of additional safety and risk factors. (General Fund-State, General Fund-Federal)

Build in Federal Grant Authority

The Children's Administration received additional federal and one-time local funding from the U.S. Department of Health and Human Services to support monthly caseworker visits and the Casey Family Foundation to expedite implementation of the practice model. The federal grant authority will continue in the 2009-11 Biennium. (General Fund-Federal)

Reduced Federal Financial Participation

The Centers for Medicare and Medicaid Services (CMS) has ruled that professionals performing administrative work rather than direct care are not eligible for an enhanced federal match rate of 75 percent. In addition, CMS has ruled that expenditures for staff who apply for Social Security benefits on behalf of children in foster care cannot be charged exclusively to Medicaid Title XIX. These staff will be allocated across all funding sources using a cost allocation process similar to the one used for social worker staff. Funding is provided to cover the reduced federal participation. (General Fund-State, General Fund-Federal)

Pension Plan 1 COLA Funding

Funding was provided in the 2007-09 budget for the additional employer contributions to retirement systems required by modifications to the eligibility criteria for the uniform COLA in the Public Employees' Retirement System Plan 1 (PERS 1) and the Teachers' Retirement System Plan 1 (TRS 1) in Senate Bill 5175. This item moves that funding from the State Employee Compensation Adjustments agency into individual agency budgets. (General Fund-State, other funds)

PEBB Rate Reduction

The state contributes 88 percent of the total weighted average of the employee health care premium and also pays for the cost of dental, life and long-term disability insurance. Total Public Employees Benefit Board (PEBB) expenditures for the 2007-09 Biennium are anticipated to be lower than budgeted because (1) health plan costs for calendar year 2008 are lower than expected, which will benefit both the state and its employees; (2) the Uniform Medical Plan continues to perform better than projected; and (3) funding was removed from the PEBB administrative cost allocation for an information technology system replacement due to the restrictive nature of federal funding. The state employer contribution rate will be reduced from \$732 per month to \$575 per month. This one-time reduction will leave an unrestricted fund balance of \$19.2 million at the end of Fiscal Year 2009. (General Fund-State, various other funds).

Interagency Rate Changes

Since final enactment of the 2007-09 budget, the Washington State Patrol increased the rates it charges for background checks. In addition, the Department of Information Services' charges have been adjusted as a result of a regulatory ruling. (General Fund-State, General Fund-Federal)

Mileage Rate Adjustments

Reimbursements for client-related travel are increased to the allowable automobile mileage of \$.485 per mile. (General Fund-State, General Fund-Federal)

Postage Rate Adjustments

Funding is provided to address the 5.1 percent postage rate increase for first-class mail. (General Fund State, General Fund Federal)

Mandatory Caseload Adjustments

Funding is provided for forecasted caseload changes for the adoption support and foster care programs. This adjustment includes a reduction in General Fund-State to reflect the increase in federal revenue the Children's Administration is earning. (General Fund-State, General Fund-Federal)

FMAP Match Adjustment

Washington State's federal medical assistance percentage (FMAP) rate was set for Federal Fiscal Year 2009 at 50.94 percent. When converted to state fiscal year, the new FMAP rate for state Fiscal Year 2009 for Title XIX services will be 51.09 percent. The 2007-09 budget assumed an FMAP rate of 51.52 percent. Growth in personal income, especially for western states, is causing the decreased federal participation. Additional state funding is provided to offset the reduction in federal participation. (General Fund-State, General Fund-Federal)

Transfers

Transfers between DSHS programs are made to properly align FTE staff and appropriations with those programs expected to realize the expenditures or savings. These transfers net to zero agency-wide.