



Edwin M. Lee, Mayor

Department of Human Services
Trent Rhorer, Executive Director

MEMORANDUM

TO: Human Services Commission
 THROUGH: Trent Rhorer, Executive Director
 FROM: Daniel Kaplan, Deputy Director of Administration, Human Services Agency (HSA)
 DATE: January 20, 2017
 SUBJECT: Department of Human Services Budget for FY 2017-18 & FY 2018-19

While Mayor Lee’s budget projections show a strong economy, slowing revenue growth and increasing expenditures are resulting in a citywide deficit of \$119.0 million for FY 17-18 and \$283.4 million (cumulative) for FY 18-19. Mayor Lee has asked for all City departments to reduce their General Fund budgets by 3.0% in each budget year. For the Human Services Agency, this results in an ongoing budget reduction target in each fiscal year:

	FY 2017-18 (3.0% GF)	FY2018-19 (3.0% GF)
Ongoing Reduction	1,519,359	3,038,718
Total	1,519,359	3,038,718

HSA Budget Strategies

HSA is using the following principles in building its proposed budget:

- Maximize revenue opportunities in existing programs
- Look for opportunities to repurpose existing position vacancies and funds to meet new needs

HSA held a community budget meeting on January 10th. It will continue to reach out to and work with its community partners to ensure that input from the community is received and incorporated into the development of the budget.

Unlike in prior years, where HSA was able to leverage State and Federal revenues to meet budget reduction targets and grow programs, many of these revenues are declining or flat in the coming year. Reductions in the Governor’s budget are estimated to reduce the following allocations to the City: CalWORKs -\$6.5M; CalFRESH -\$1.0M; and 2011 Realignment -\$0.6M.

Program Highlights and Initiatives

SF BenefitsNet — Medi-Cal & CalFresh

The SF BenefitsNet program, the integrated Medi-Cal and CalFresh eligibility programs, proposes to continue leveraging technology, workflow automation and business intelligence to increase operational efficiency, improve quality assurance and use data to drive decision making. CalFresh is also preparing for the expiration of the CalFresh ABAWDs (Able-Bodied Adult Without Dependents) Waiver in August 2018. SF BenefitsNet is developing strategies for assisting ABAWDs to identify those who qualify for exemptions and to support others to meet the work requirements so that they can maintain benefits.

SF BenefitsNet proposes to continue outreach and inreach to encourage Medi-Cal enrollment, despite uncertainties related to the ACA. The program also continues its focus on increasing the CalFresh uptake rate, with multiple targeted outreach strategies including onsite benefits application at Navigation Centers, community based organizations, SF General Hospital and other locations, CalFresh inreach to Medi-Cal clients, collaborating with the SF Unified School District and additional outreach events.

CalWORKs and Workforce Development

The CalWORKs program proposes to sustain focus on implementation of the Housing Support Program, Family Stabilization and Jobs NOW! Subsidized Employment. Ongoing efforts will be made at early engagement of clients in employment opportunities; provision of whole family services, robust appraisal and more intensive connection between staff and participants. New targeted outreach efforts to enroll more eligible families from underserved neighborhoods and populations are planned.

CalWORKs proposes to continue the implementation of Project 500, which weaves together several evidenced-based and promising practices – including nurse home visiting, quality early care and education, subsidized employment and executive coaching – with the intent of helping both parents and children achieve goals on the path to self-sufficiency and well-being.

CAAP

The CAAP program, in January 2017, implemented policies and procedures to make it simpler for clients to access and maintain benefits; target employment services more effectively; create pathways out of poverty; and simplify program administration.

CAAP proposes to continue to enhance service delivery to make it simpler for clients to access benefits, including making orientation part of the initial intake screening instead of a separate appointment; clarifying and expediting the intake process; and collaborating with and expanding CAAP outreach efforts with the new Department of Homeless and Supportive Housing.

Family & Children's Services (FCS)

FCS proposes to continue the roll-out of Continuum of Care Reform (AB 403), the most significant child welfare reform of the past decade focusing on increased reliance on family-based care settings (rather than congregate care). Efforts will focus on additional recruitment for foster families/homes and streamlining of licensing process for all caregivers.

FCS also proposes to continue to expand services and infrastructure to support Title IV-E Waiver activities, including expanded support for implementation of statewide strategies on child welfare practice, including Core Practice Model, Safety Organized Practice, and Child and Family Teams

FCS is considering ways to expand services to help foster youth with the most severe health and behavioral needs. It is also working to meet the state requirements to operate a 72-hour licensed CPC facility (instead of the current 23-hour unlicensed facility).

Program Support

HSA's Program Support functions are comprised of the following divisions, Planning, Administration (Budget, Contracts, Finance, Human Resources, Information Technology, Facilities/Operations, and Investigations), and Central Management. HSA is evaluating the need for additional resources to support the growing contracting function.

Next Steps

At the next meeting of the Human Services Commission, we will present you with a full proposal of the HSA budget for FY 2017-18 and FY 2018-19, for your review and final approval.