

DHS BUDGET REQUEST FOR FY 2016-2017
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
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E30.21-23

APPROPRIATION:
County Assistance Offices

I. SUMMARY FINANCIAL DATA

	2014-2015 <u>Actual</u>	2015-2016 <u>Available</u>	2016-2017 <u>Budgeted</u>
State Funds	\$312,579	\$334,900 ¹	\$346,864
Federal Funds Total	\$315,819	\$341,308	\$380,070
Federal Sources Itemized			
<i>TANFBG-County Assistance Offices</i>	\$46,490	\$53,033	\$48,654
<i>Medical Assistance-County Assistance Offices</i>	\$121,645	\$135,063	\$173,622
<i>Food Stamps-County Assistance Offices</i>	\$114,422	\$119,950	\$124,532
<i>SSBG-County Assistance Offices</i>	\$6,262	\$6,262	\$6,262
<i>LIHEABG-Administration</i>	\$27,000	\$27,000	\$27,000
Other Funds Total	\$16	\$0	\$0
Other Sources Itemized			
<i>Miscellaneous Reimbursements</i>	\$16	\$0	\$0
Total	\$628,414	\$676,208	\$726,934

IA. REQUESTED SUPPLEMENTALS (Included above)

State Funds	\$18,581
Federal Funds	\$0
Total	\$18,581

¹ Includes a recommended supplemental appropriation of \$18.581 million. Appropriation Act 10-A of 2015 provided \$316.319 million for this program in Fiscal Year 2015-2016.

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	APPROPRIATION: County Assistance Offices				
	2014-2015 Actual	2015-2016 Available	2016-2017 Budgeted	Change Budgeted vs. Available	Percent Change
PERSONNEL					
<i>State Funds</i>	268,041	\$297,746	\$309,393	\$11,647	3.91%
<i>Federal Funds</i>	253,026	\$273,411	\$292,092	\$18,681	6.83%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Personnel	\$521,067	\$571,157	\$601,485	\$30,328	5.31%
OPERATING					
<i>State Funds</i>	44,538	\$37,154	\$37,471	\$317	0.85%
<i>Federal Funds</i>	46,170	\$35,951	\$53,436	\$17,485	48.64%
<i>Other Funds</i>	\$16	\$0	\$0	\$0	0.00%
Total Operating	\$90,724	\$73,105	\$90,907	\$17,802	24.35%
FIXED ASSETS					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Fixed Assets	\$0	\$0	\$0	\$0	0.00%
GRANT & SUBSIDY					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$206	\$206	\$206	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Grant & Subsidy	\$206	\$206	\$206	\$0	0.00%
NONEXPENSE					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Nonexpense	\$0	\$0	\$0	\$0	0.00%
BUDGETARY RESERVE					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$16,417	\$31,740	\$34,336	\$2,596	8.18%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Budgetary Reserve	\$16,417	\$31,740	\$34,336	\$2,596	8.18%
UNCOMMITTED					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Uncommitted	\$0	\$0	\$0	\$0	0.00%
EXCESS FEDERAL					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Excess Federal	\$0	\$0	\$0	\$0	0.00%
TOTAL FUNDS					
<i>State Funds</i>	\$312,579	\$334,900	\$346,864	\$11,964	3.57%
<i>Federal Funds</i>	\$315,819	\$341,308	\$380,070	\$38,762	11.36%
<i>Other Funds</i>	\$16	\$0	\$0	\$0	0.00%
Total Funds	\$628,414	\$676,208	\$726,934	\$50,726	7.50%

APPROPRIATION:
County Assistance Offices

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	2013-2014	2014-2015	2015-2016 Estimated
State Funds	\$3,523	\$1,917	\$0

IV. COMPLEMENT INFORMATION	12/31/2014	12/31/2015	2016-2017 Budgeted
State/Federally Funded			
<i>Authorized</i>	6,773	6,773	6,704
<i>Filled</i>	6,296	6,442	6,291
Federally Funded			
<i>Authorized</i>	6	6	6
<i>Filled</i>	5	6	6
Other Funded			
<i>Authorized</i>	0	0	0
<i>Filled</i>	0	0	0
Total			
<i>Authorized</i>	6,779	6,779	6,710
<i>Filled</i>	6,301	6,448	6,297
Benefit Rate	76.17%	87.30%	92.70%

V. DERIVATION OF REQUEST / LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

The Fiscal Year 2016-2017 Governor's Executive Budget reflects an authorized complement of 6,704 positions. Personnel costs reflect funding for 6,291 filled positions, 348 vacant positions and 65 leave-without-pay positions.

Also reflected are six federally funded positions assigned to the Low Income Home Energy Assistance Program.

Legislative Citations:

62 P.S. § 401 et. seq.

Disbursement Criteria:

This appropriation provides staff to operate 95 local County Assistance Offices. The County Assistance Offices manage the Cash Grants, Medical Assistance, Supplemental Nutrition Assistance Program, and Low Income Home Energy Assistance programs for the Department of Human Services. County Assistance Office staff are responsible for reviewing a client's circumstances, applying this information to eligibility criteria, and making a determination of eligibility for the benefit programs cited above. Redeterminations of client eligibility are conducted periodically to ensure that the client continues to meet eligibility requirements.

VI. EXPLANATION OF CHANGES
(\$ Amounts in Thousands)

APPROPRIATION:
County Assistance Offices

	<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total \$</u>
PERSONNEL				
1. Change in filled staffing level, average bi-weekly and funded pay periods from Fiscal Year 2015-2016 levels:	\$990	\$1,326	\$0	\$2,316
2. Provides an increase for the impact of salary adjustment factor (without benefits):	\$1,929	\$2,575	\$0	\$4,504
3. Reflects an increase in the total cost of employee benefits primarily due to an increase in retirement rates:	\$9,819	\$13,102	\$0	\$22,921
4. Reflects an increase in the total cost of the Low Income Home Energy Assistance Program (LIHEAP) employee benefits primarily due to an increase in retirement rates:	\$0	\$21	\$0	\$21
5. Reflects an increase in personnel costs for seasonal LIHEAP Energy Assistance Workers:	\$0	\$566	\$0	\$566
6. Reflects a change in the Federal participation rate in Fiscal Year 2016-2017:	<u>(\$1,091)</u>	<u>\$1,091</u>	<u>\$0</u>	<u>\$0</u>
Subtotal Personnel	\$11,647	\$18,681	\$0	\$30,328
OPERATING				
1. Reflects an increase in the Consumer Price Index for lease contracts and renewals in Fiscal Year 2016-2017:	\$519	\$453	\$0	\$972
2. Reflects on-going operating expenses related to the Document Management Center:	\$8,058	\$7,077	\$0	\$15,135
3. Reflects one-time use of prior year Federal earnings in Fiscal Year 2016-2017:	(\$8,058)	\$8,058	\$0	\$0
4. Reflects an increase in general operating associated with furniture and fixtures to outfit County Assistance Office relocations:	\$1,568	\$718	\$0	\$2,286
5. Reflects a decrease in LIHEAP general operating:	\$0	(\$591)	\$0	(\$591)
6. Reflects a change in the Federal participation rate in Fiscal Year 2016-2017:	<u>(\$1,770)</u>	<u>\$1,770</u>	<u>\$0</u>	<u>\$0</u>
Subtotal Operating	\$317	\$17,485	\$0	\$17,802
BUDGETARY RESERVE				
1. Reflects an increase in excess Federal spending authority in Fiscal Year 2016-2017:	<u>\$0</u>	<u>\$2,596</u>	<u>\$0</u>	<u>\$2,596</u>
Subtotal Budgetary Reserve	<u>\$0</u>	<u>\$2,596</u>	<u>\$0</u>	<u>\$2,596</u>
TOTAL	<u><u>\$11,964</u></u>	<u><u>\$38,762</u></u>	<u><u>\$0</u></u>	<u><u>\$50,726</u></u>

COUNTY ASSISTANCE OFFICES

PROGRAM STATEMENT

This appropriation provides funding for the operation of 95 local County Assistance Offices (CAOs), the primary point for the public to access both services that support transition to economic self-sufficiency and help with vital human services. The CAOs are responsible for the eligibility determination for applicants and redetermination of eligibility for recipients for Temporary Assistance for Needy Families (TANF) Cash Assistance, Low Income Home Energy Assistance Program (LIHEAP), Medical Assistance (MA) and Supplemental Nutrition Assistance Program (SNAP) benefits to residents of Pennsylvania. These benefits are distributed through Electronic Benefit Transfer (EBT) cards, managed care plans, or vendor payments.

TANF Cash Assistance is provided to eligible households through benefits deposited to EBT cards for clients to use to pay for everyday living expenses while the State Supplementary Payment is a cash payment to augment Federal Supplemental Security Income benefits eligible clients receive from the Social Security Administration. Additionally, cash payments are also made in the form of Special Allowances to support employment and training efforts to eligible clients. State Blind Pension benefits are paid to persons who are legally blind. Payments to help meet heating costs during the winter heating season are provided through LIHEAP. Pennsylvania's MA program provides payments for a comprehensive set of medical services, both for recipients of Cash Assistance and for persons whose income is sufficient to meet their basic living needs, but is not sufficient to cover additional medical care costs. Formerly known as Food Stamps, the SNAP program is administered under Federal regulations to help low-income individuals and families supplement their monthly food budget.

The Income Maintenance Case Worker is responsible for reviewing categorical and financial eligibility requirements and then determining eligibility for applicants and recipients for the benefit programs cited above. Redeterminations of client eligibility are conducted periodically as outlined by regulations to ensure the client continues to meet eligibility requirements. In addition, case workers review new and/or updated information provided by the clients or obtained through various data exchange sources to determine continued eligibility and to act on reported change requests for additional benefits and/or supportive services.

Implementation of the Federal and State welfare reform legislation (the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and Act 35 of 1996, respectively) led to a significant decrease in the number of families receiving Cash Assistance (from February 1997 to November 2014, the TANF rolls have decreased by 60.4 percent). Reauthorization of TANF in 2006 resulted in a more stringent work participation rate with the goal of encouraging self-sufficiency. Over the past five years, MA participation has increased by approximately 6.0 percent and SNAP benefits have increased by approximately 21.3 percent. In addition, the CAOs received 540,970 LIHEAP Cash applications and 149,921 LIHEAP Crisis requests during the Fiscal Year 2014-2015 LIHEAP heating season.

The Department of Human Services (Department) initiated the Disability Advocacy Program (DAP) in July 1985. Under this program, IMCWs across the Commonwealth identify assistance recipients having serious physical, mental or emotional disabilities that appear to preclude gainful employment. These individuals are referred to the Social Security Administration to apply for Federal Social Security/Supplemental Security Income benefits. The CAOs disability advocates assist with the applications for disability benefits, as needed. Each year the DAP program helps vulnerable citizens work with Social Security to obtain benefits while also providing MA benefits. For Fiscal Year 2014-2015, there were 20,334 DAP referrals completed with 5,364 approved for Social Security Benefits.

The CAOs in 67 counties provide access to critical services to approximately 2.8 million citizens every month across the Commonwealth. The overall goal is to deliver quality service in a timely and effective manner, while increasing our customers' ability to achieve economic self-sufficiency. In the past

year, the Office of Income Maintenance (OIM) has improved customer service, increased efficiency and achieved stronger outcomes for our customers.

The Commonwealth of Pennsylvania Access to Social Services (COMPASS) is the Commonwealth of Pennsylvania's online portal that allows individuals and community organizations to screen for, apply for, and renew a broad range of social services programs. Through COMPASS, clients have the ability to create a confidential account in order to monitor their benefits and report changes. Likewise, COMPASS also allows registered community organizations the ability to access and view applications submitted on behalf of citizens they serve through a community partner dashboard. Each year, an increasing number of individuals and community organizations are utilizing COMPASS' 24-hour internet access.

The OIM's Statewide Customer Service Centers brings an opportunity for more efficient operations and enhanced customer service through a statewide toll-free number. Philadelphia residents have access to a stand-alone toll-free number as well. The OIM Statewide Customer Service Centers align with our vision for effective management of our resources and allows our customers to receive the best customer service possible. The Statewide Customer Service Centers call volume in Fiscal Year 2014-2015 was 1,618,310 English calls and 183,728 Spanish calls. In Philadelphia alone, total call volume in Fiscal Year 2014-2015 was 907,856.

In addition, the OIM Processing Centers were established to assist CAOs in processing work to ensure that benefits are issued in a timely, accurate, and efficient manner. The OIM Processing Centers are located within CAOs across the Commonwealth with offices co-located in Blair, Butler, Cambria, Clearfield, Fayette, Lycoming, Columbia, Philadelphia, Danville and Somerset. Clerical support is located in Mercer County. The Processing Center locations were selected because of existing available space in CAOs, as well as the opportunity to provide significant employment prospects. Staff was trained using a practical hands-on approach, with on-site support from supervisors and trainers. The focus of the Processing Centers is to process back-office, ongoing eligibility in a timely manner and to reduce backlogs in CAO's. The PCs are capable of assisting any CAO with unusually high volumes of work, including Federally Facilitated Marketplace applications submitted through the Affordable Care Act website, LIHEAP, and benefit recertification. The centers are fully operational, fully staffed and making a positive impact for Pennsylvania's most vulnerable citizens.

Helpline and Correspondence staff respond to inquiries about public benefits in Pennsylvania. Inquiries come from applicants, recipients, public and private agency staff, legislative staff and the general public. Helpline numbers appear in various media such as: printed applications, COMPASS, published in telephone and internet directories and on the Department of Human Services website. In Calendar Year 2015, the Helpline received 316,857 calls and received 29,917 pieces of correspondence (emails and letters). The LIHEAP Helpline received 191,856 calls.