

**Economic Services Administration**

**060 - M1 - 93 - MANDATORY CASELOAD ADJUSTMENTS**

**Agency Submittal: 11-2017-19-YR Agency Req**

**Budget Period: 2017-19**

**SUMMARY**

The Economic Services Administration (ESA) requests adjustments to funding in order to align with the June 2016 forecasts for a number of ESA programs. By funding this request, ESA is expected to be properly funded for projected changes in caseloads.

**PROBLEM STATEMENT**

In the summer of 2016, the Department of Social and Health Services (DSHS) Central Budget Office, Economic Services Administration and the Caseload Forecast Council prepared updated forecasts of the caseloads and expected costs per client for the following programs:

- Refugee Cash Assistance (RCA)
- Aged, Blind, or Disabled (ABD)
- Pregnant Women Assistance (PWA)
- Retained Child Support
- Food Assistance for Legal Immigrants (FAP)

RCA provides cash grants to needy refugees who have settled in Washington State. The refugees served by this program are authorized by the United States State Department to immigrate to this country. These refugees are granted permanent residence authorization. The goal of the program is to help refugees attain self-sufficiency. Decreased funding in the amount of \$381,000 in Fiscal Year 2018 (FY18) and \$381,000 in FY19 is needed to support the forecasted changes to this caseload.

The ABD program provides cash assistance to low-income adults who are 65 or older, blind, or likely to meet Supplemental Security Income (SSI) disability criteria. The PWA program provides cash assistance to eligible women who are pregnant and ineligible for Temporary Assistance for Needy Families (TANF) and State Family Assistance (SFA) for reasons other than a refusal to cooperate with TANF/SFA requirements. Decreased funding of \$(806,000) in Fiscal Year 2018 and increased funding of \$1,320,000 in Fiscal Year 2019 is requested as a result of forecasted changes in the caseload. Additionally, increased funding of \$5,513,000 in Fiscal Year 2018 and \$2,129,000 in Fiscal Year 2019 is needed for forecasted changes in the amount of ABD expenditures that will be recovered from the Social Security Administration (SSA) as ABD clients are determined to be eligible for SSI benefits. The amount requested reflects a decline in expected ABD recoveries from SSA. Historically, recoveries had been projected to be 60-70 percent of ABD expenditures. However, recent data shows that recoveries have declined significantly. This request reflects a projected recovery rate of 53.5 percent. The overall request for ABD forecasted changes is \$3,350,000 in FY18 and \$1,600,000 in FY19.



**DSHS VISION**

People are healthy • People are safe • People are supported • Taxpayer resources are guarded

**DSHS MISSION**

To transform lives

**DSHS VALUES**

Honesty and Integrity • Pursuit of Excellence • Open Communication • Diversity and Inclusion • Commitment to Service

**060 - M1 - 93 - Mandatory Caseload Adjustments**

The Division of Child Support (DCS) provides support and collection services to custodial parents. Collections for families on public assistance are retained by the state and shared with the federal government. Reduced funding is requested in Fiscal Year 2018 in the amount of (\$5,544,000) and in Fiscal Year 2019 in the amount of (\$4,614,000) for changes in the forecasted amount of child support collections retained by the state.

FAP for Legal Immigrants provides state Basic Food benefits for legal immigrants who are not eligible for federal food benefits due to their immigration status. Increased funding in the amount of \$234,000 for Fiscal Year 2018 and \$234,000 in Fiscal Year 2019 is needed to support the forecasted changes to this caseload.

**PROPOSED SOLUTION**

ESA requests that this package be funded at the requested levels to meet projected budgetary needs.

**EXPECTED RESULTS**

ESA expects it will be funded at a level to support its forecasted levels.

**STAKEHOLDER IMPACT**

There is no known stakeholder objection to this request.

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Program Contact: Jie Tang, (360) 725-4509

**OTHER CONNECTIONS**

**Performance Outcomes/Important Connections**

- 1. Does this DP provide essential support to one or more of the Governor's Results Washington priorities?**  
Goal 4: Healthy & Safe Communities - Support People - Help the most vulnerable people become independent and self-sufficient.
- 2. The decision package meets the following DSHS' strategic objectives:**  
5.1: The percentage of Community Service Division (CSD) clients receiving timely service will increase.
- 3. Identify other important connections or impacts below.** (Indicate 'Yes' or 'No'. If 'Yes' identify the connections or impacts related to the proposal.)
  - a) Regional/County impacts? No
  - b) Other local government impacts? No
  - c) Tribal government impacts? No
  - d) Other state agency impacts? No
  - e) Responds to specific task force, report, mandate or executive order? No

**060 - M1 - 93 - Mandatory Caseload Adjustments**

- f) Does request contain a compensation change or require changes to a Collective Bargaining Agreement? No
- g) Facility/workplace needs or impacts? No
- h) Capital budget impacts? No
- i) Is change required to existing statutes, rules or contracts? No
- j) Is the request related to litigation? No
- k) Is the request related to Puget Sound recovery? No
- l) Other important connections?

**4. Please provide a detailed discussion of connections/impacts identified above.**

N/A

**Alternatives/Consequences/Other**

**5. What alternatives were explored by the agency, and why was this alternative chosen?**

Due to the specific nature of this request no other alternatives pursued.

**6. How has or can the agency address the issue or need within its current appropriation level?**

If this request is not funded, ESA will not be funded at a level to support its forecasted programs.

**7. Does this decision package include funding for any IT-related costs (hardware, software, services, cloud-based services, contracts or IT staff)?**

No

Yes (Include an IT Addendum)

**Fiscal Detail****060 - M1 - 93 - Mandatory Caseload Adjustments**

<b>Operating Expenditures</b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>
001-1 General Fund-State	34,000	847,000	847,000	847,000
001-2 General Fund-Federal	381,000	381,000	381,000	381,000
001-A General Fund-DSHS Fam	-2,800,000	-2,307,000	-2,307,000	-2,307,000
<b>Total Cost</b>	<b>-2,385,000</b>	<b>-1,079,000</b>	<b>-1,079,000</b>	<b>-1,079,000</b>

<b>Staffing</b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>
FTEs	0.0	0.0	0.0	0.0

**Performance Measure Detail**

<b>Activity:</b>	<b>Incremental Changes</b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>
<b>Program: 060</b>					
F039 Aged, Blind or Disabled and Pregnant Women Assistance Pro		0	0	0	0
F011 Retained Child Support		0	0	0	0
F042 Immigrant State Food Assistance		0	0	0	0
F083 Refugee Assistance Program		0	0	0	0
No measures submitted for package					

**Object Detail**

	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>
N Grants, Benefits, and Client Services	-2,385,000	-1,079,000	-1,079,000	-1,079,000
<b>Total Objects</b>	<b>-2,385,000</b>	<b>-1,079,000</b>	<b>-1,079,000</b>	<b>-1,079,000</b>

**DSHS Source Detail****Overall Funding**

<b>Operating Expenditures</b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>
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**Fund 001-1, General Fund-State****Sources Title**

0011 General Fund State	34,000	847,000	847,000	847,000
<b>Total for Fund 001-1</b>	<b>34,000</b>	<b>847,000</b>	<b>847,000</b>	<b>847,000</b>

**Fund 001-2, General Fund-Federal****Sources Title**

566B Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	381,000	381,000	381,000	381,000
<b>Total for Fund 001-2</b>	<b>381,000</b>	<b>381,000</b>	<b>381,000</b>	<b>381,000</b>

**Fund 001-A, General Fund-DSHS Fam****Sources Title**

563A Title IV-D Child Support Enforcement (A) (FMAP)	-2,800,000	-2,307,000	-2,307,000	-2,307,000
<b>Total for Fund 001-A</b>	<b>-2,800,000</b>	<b>-2,307,000</b>	<b>-2,307,000</b>	<b>-2,307,000</b>
<b>Total Overall Funding</b>	<b>-2,385,000</b>	<b>-1,079,000</b>	<b>-1,079,000</b>	<b>-1,079,000</b>

**2017-19 Biennial Budget - June Forecast**  
**June 2016 Forecast**  
**060-M1-93 Mandatory Caseload Adjustments**

		June 2016 Forecast		
		SFY 2018	SFY 2019	2017-19 Biennial
<b>REFUGEE CASH ASSISTANCE</b>				
CarryForward Level		1,731,000	1,731,000	3,462,000
2016 June Forecast		2,112,000	2,112,000	4,224,000
	001-2 (566B)	381,000	381,000	762,000
<b>AGED, BLIND, DISABLED/PREGNANT WOMENS ASSISTANCE</b>				
CarryForward Level		42,187,000	40,450,000	82,637,000
2016 June Forecast		41,381,000	41,770,000	83,151,000
	001-1	(806,000)	1,320,000	514,000
<b>AGED, BLIND, DISABLED RECOVERIES</b>				
CarryForward Level		(20,453,000)	(18,716,000)	(39,169,000)
2016 June Forecast		(22,616,000)	(19,245,000)	(41,861,000)
	001-1	(2,163,000)	(529,000)	(2,692,000)
Impact of Declining Recoveries		5,513,000	2,129,000	7,642,000
	001-1	3,350,000	1,600,000	4,950,000
<b>RETAINED CHILD SUPPORT</b>				
CarryForward Level		(42,484,000)	(43,734,000)	(86,218,000)
2016 June Forecast		(48,028,000)	(48,348,000)	(96,376,000)
		(5,544,000)	(4,614,000)	(10,158,000)
	001-1	(2,744,000)	(2,307,000)	(5,051,000)
	001-A (563A)	(2,800,000)	(2,307,000)	(5,107,000)
<b>FOOD ASSISTANCE PROGRAM</b>				
CarryForward Level		21,221,000	21,221,000	42,442,000
2016 June Forecast		21,455,000	21,455,000	42,910,000
	001-1	234,000	234,000	468,000
<b>TOTAL ML ADJUSTMENT</b>		<b>(2,385,000)</b>	<b>(1,079,000)</b>	<b>(3,464,000)</b>
001-1 GF-State		34,000	847,000	881,000
001-2 (566B) Refugee (100%)		381,000	381,000	762,000
001-A (563A) Title IV-D Child Support Enforcen		(2,800,000)	(2,307,000)	(5,107,000)
<b>TOTAL ML ADJUSTMENT</b>		<b>(2,385,000)</b>	<b>(1,079,000)</b>	<b>(3,464,000)</b>