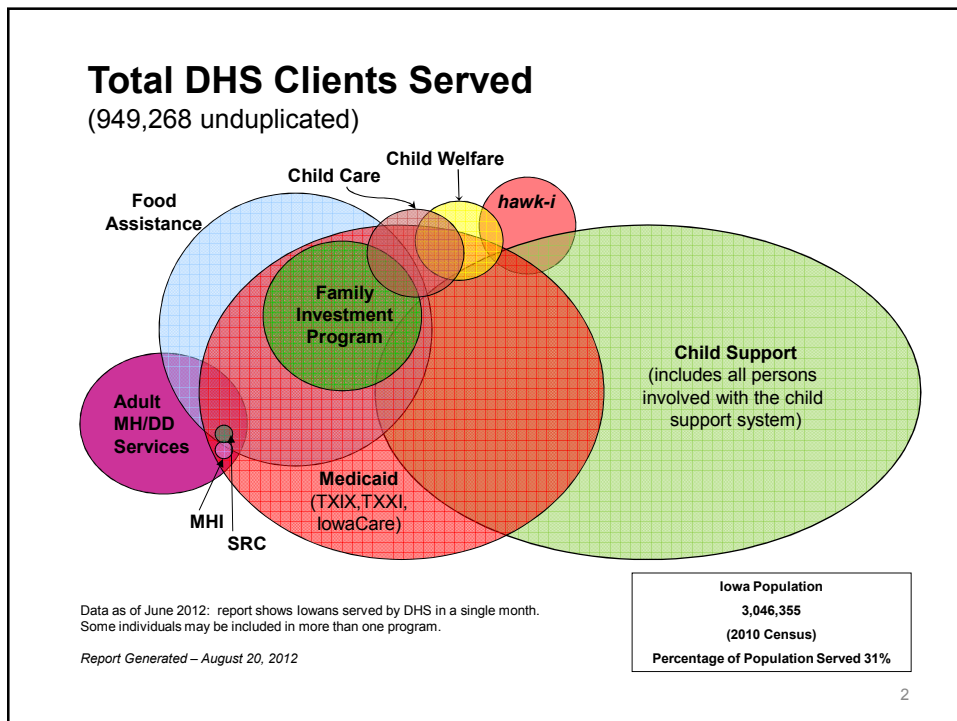



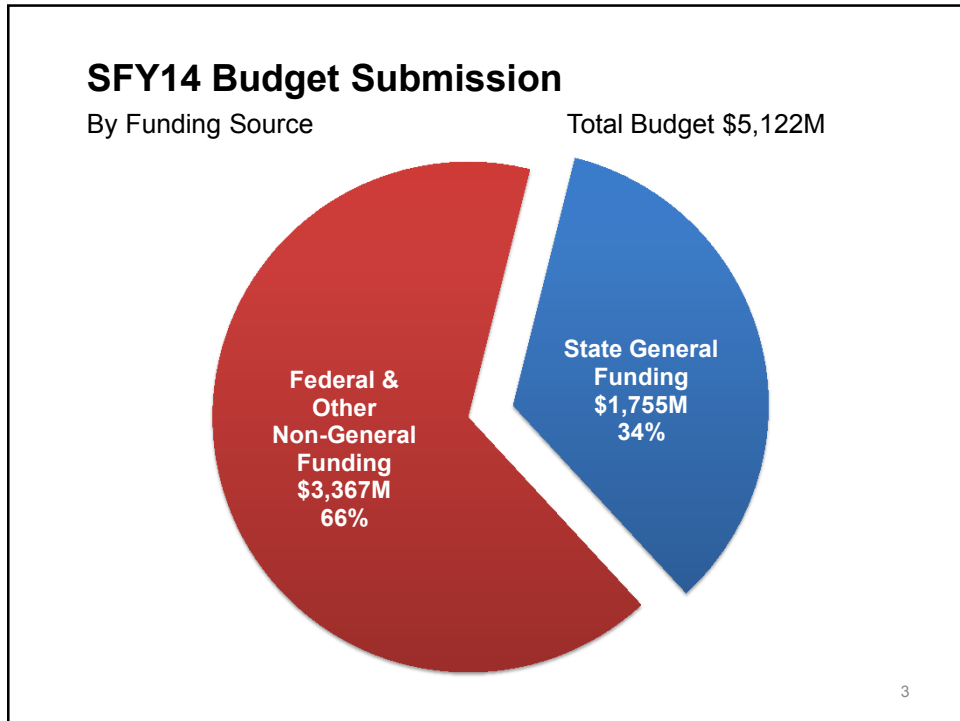
 Iowa Department of Human Services

SFY14 & SFY15 Budget HHS Budget Subcommittee

January 30, 2013

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Iowa Department of Human Services

Impact of Federal Sequester

Many DHS program areas are currently exempt including:
Medicaid, child support enforcement, adoption and foster care assistance and Temporary Assistance for Needy Families (TANF)

Overall impact currently estimated at \$3.0M

Primary impacts are:

- Child Care Development Fund (\$1.3M)
- Social Services Block Grant (SSBG) (\$948K)
- Promoting Safe and Stable Families and Child Welfare Services (\$326K)
- Mental Health Block Grant (\$213K)

Reductions to TANF and elimination of SSBG have been discussed.

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 Iowa Department of Human Services

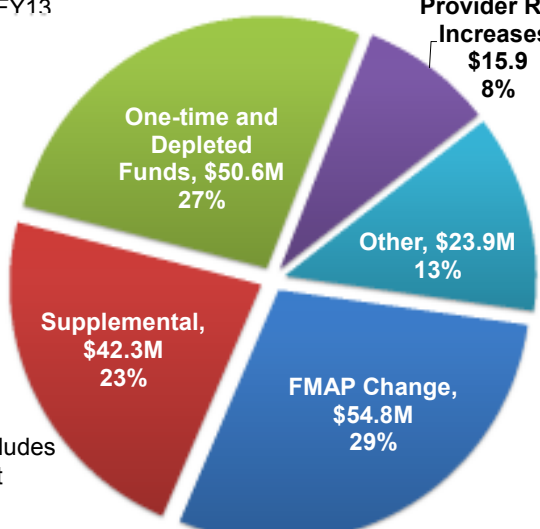
SFY14 Budget

Increase over SFY13 appropriation = \$157,504,393
% Increase over SFY13 appropriation = 9.9%

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Major categories of increases


SFY14 increase over SFY13



Category	Amount	Percentage
FMAP Change	\$54.8M	29%
One-time and Depleted Funds	\$50.6M	27%
Supplemental	\$42.3M	23%
Other	\$23.9M	13%
Provider Rate Increases	\$15.9M	8%

Recommended budget includes Medicaid cost containment initiatives of \$30.1M.

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Iowa Department of Human Services

Increase by Key Areas


Recommended increase in General Fund Appropriation				
	SFY14 increase over SFY13		SFY15 increase over SFY14	
Health	\$114,264,420	11.7%	\$39,715,587	3.7%
Behavioral & Disabilities Health (incl. facilities)	\$37,954,997	13.3%	\$11,000,000	3.4%
Safety, Wellbeing & Permanency for Children (incl. juvenile facilities)	\$3,302,909	2.4%	\$0	0.0%
Employment & Economic Security (incl. CSRU)	(\$17,158)	0.0%	\$4,255,268	3.5%
Effectively Manage Resources	\$1,999,225	2.6%	\$0	0.0%
Total	\$157,504,393	9.9%	\$54,970,855	3.1%

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Improve Iowans' Health Status



Medical Assistance
 Medical Contracts
 Children's Health Insurance Program
 IowaCare
 State Supplementary Assistance




Iowa Department of Human Services

Medical Assistance Supplemental

	Governor's Recommendation
Medical Assistance Shortfall	(\$26,985,071)
MHDS Redesign Fund Shortfall	(\$ 8,000,000)
Combined Shortfall	(\$34,985,071)
Governor's Supplemental Appropriation Amount	\$34,985,071

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Iowa Department of Human Services

Medical Assistance

Includes both Medicaid and MHDS Redesign Fund

SFY14	\$101.3M
State Revenue Changes	42.8M
Federal Medical Assistance Percentage (FMAP) Change	52.0M
IowaCare Funding	\$7.8M
Growth (Enrollment, Costs, Etc...)	\$28.8M
Cost Containment	(\$30.1M)

The SFY15 budget is a \$45.4M (3.55 percent) increase over SFY14.

(Additional detail on the nonfederal share of medical assistance program services for mental health and disability services is presented later)

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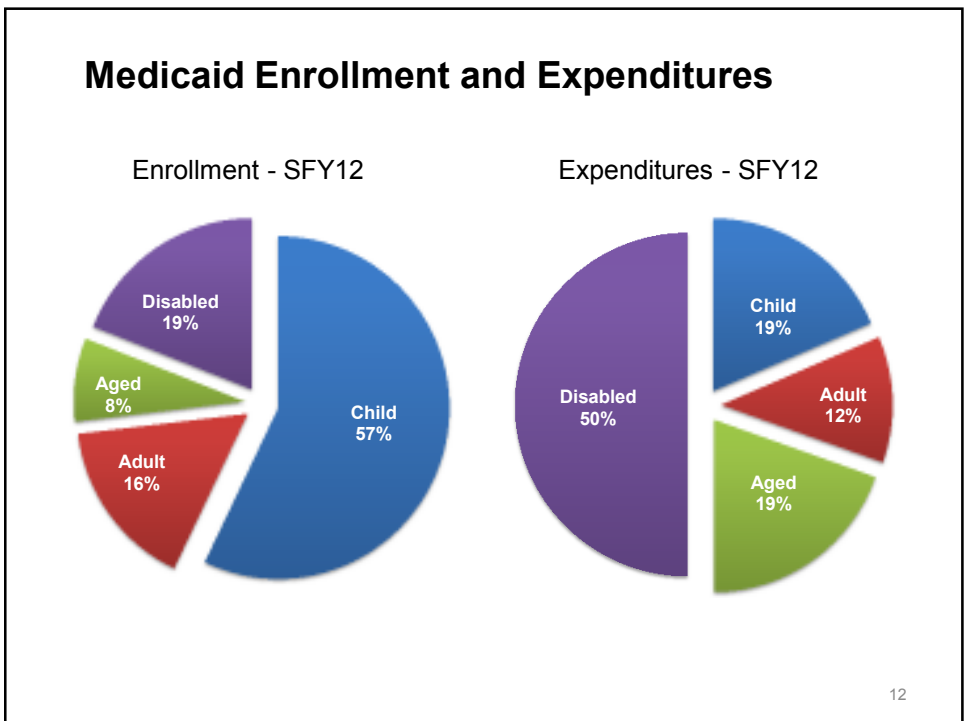
 Iowa Department of Human Services


Affordable Care Act

The budgets for SFY14 and SFY15 reflect only mandatory, non-enrollment impacts of ACA.

The Department has provided ACA impact estimates from its actuarial contractor (Milliman).
See <http://www.dhs.state.ia.us/Partners/Reports/LegislativeReports/LegisReports.html>

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Iowa Department of Human Services

Children's Health Insurance Program (CHIP)

The SFY14 budget is status quo SFY13 at \$36.8M.
The SFY15 budget is also status quo.

	FY13 Average Monthly Enrollment	FY14 Estimated Average Monthly Enrollment	Percentage of Change
Medicaid Expansion	16,408	16,850	+ 2.7%
<i>hawk-i</i>	36,662	37,588	+ 2.5%
Dental only	4,337	4,930	+ 3.7%

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Iowa Department of Human Services

IowaCare

The total budget for SFY13 is \$160 million and will cover approximately 63,500 Iowans; \$8.7 million (5.4 percent) is state general fund.

Supplemental for SFY13 is \$7.3M


The budget reflects an increase of \$7.8M general funds in SFY14 and status quo funding in SFY15.

The current waiver for the IowaCare program expires December 31, 2013. The program expires in code October 31, 2013.

CMS has announced they will consider applications to extend 1115 waiver programs.

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 **Iowa Department of Human Services**


Facilities

The budget recommendations for institutions reflect

- Maintaining the Mental Health Institutes (MHIs) at current bed levels
- Maintaining planned reductions at the State Resource Centers (SRCs)
- Increased census is anticipated at the Civil Commitment Unit for Sexual Offenders (CCUSO)

As census and revenues continue to decline at the SRCs, each will continue to right size to match the needs and number of individuals served.

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Iowa Department of Human Services

MHDS Redesign


The Governor's budget recommendation reflects a \$3.8M supplemental in SFY13 for the Transition Fund:

- Provider transition funds for 12 counties
- Beginning FY13 fund balances applied to pay down counties' outstanding unpaid bills; remaining revenue applied to pay the cost of SFY13 non-Medicaid services

The SFY14 and SFY15 budget do not include a general fund appropriation to the Regional Services Fund.

The SFY14 and SFY15 budget does include \$11.4M and \$12.5M in SSBG funding – this funding is currently used for the State Payment Program.

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Iowa Department of Human Services

MHDS Medical Assistance – Non-federal share (in millions)


Service	FY 11	FY 12	FY 13	FY 14
ID Waiver	\$86.60	\$121.30	\$130.18	\$140.93
ICF/ID	\$39.45	\$51.76	\$53.83	\$56.37
Habilitation	\$15.78	\$23.35	\$26.12	\$30.56
TCM	\$4.06	\$5.65	\$6.34	\$6.56
ICF-PMI	\$0.14	\$0.98	\$1.35	\$1.37
BI Waiver	\$0.03	\$0.04	\$0.04	\$0.04
MFP	\$0.68	\$0.80	\$0.00	\$0.00
State Resource Center	\$14.21	\$16.26	\$15.86	\$15.33
Total	\$160.95	\$220.14	\$233.72	\$251.16
Average FMAP	70.64%	61.19%	59.87%	58.35%

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**Improve Safety, Well-Being, and Permanency
for Iowa's Children**



Child Abuse Prevention
Adoption Subsidy
Child and Family Services
Eldora State Training School
Iowa Juvenile Home/State Training School for Girls
Comprehensive Family Support Programs



Iowa Department of Human Services

Adoption Services

A supplemental of \$998,628 is provided for SFY13 –
(using CHIP Contingency funds).

The SFY14 budget is a \$2.4M (6.4 percent) increase over SFY13.
The SFY15 budget is status quo SFY14.

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Iowa Department of Human Services


Child Welfare and Family Services (CFS)

The SFY14 CFS budget reflects a \$43,386 (0.1 percent) increase over SFY13.

The SFY14 budget also reflects a decrease of 13 shelter care beds.

The SFY15 budget is status quo SFY14.

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Iowa Department of Human Services

Juvenile Facilities

State Training School at Eldora

The SFY14 budget reflects a \$504,166 (4.7 percent) increase over SFY13.


The SFY15 budget reflects status quo SFY14.

Iowa Juvenile Home and State Training School at Toledo

The SFY 2014 budget reflects a \$488,930 (5.8 percent) increase from SFY13.

The SFY15 budget reflects status quo SFY14.

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Iowa Department of Human Services

Food Assistance (FA)

Food Assistance benefits and The Emergency Food Assistance Program (TEFAP) are paid with 100 percent by federal dollars.

Nutrition education, Commodity Supplemental Food Program (CSFP), and the Employment & Training (E & T) program are paid 100 percent with federal dollars.

The program serves 437,849 recipients.

The average annual FA benefit per recipient is \$1,467
– this equates to \$1.34 per meal.

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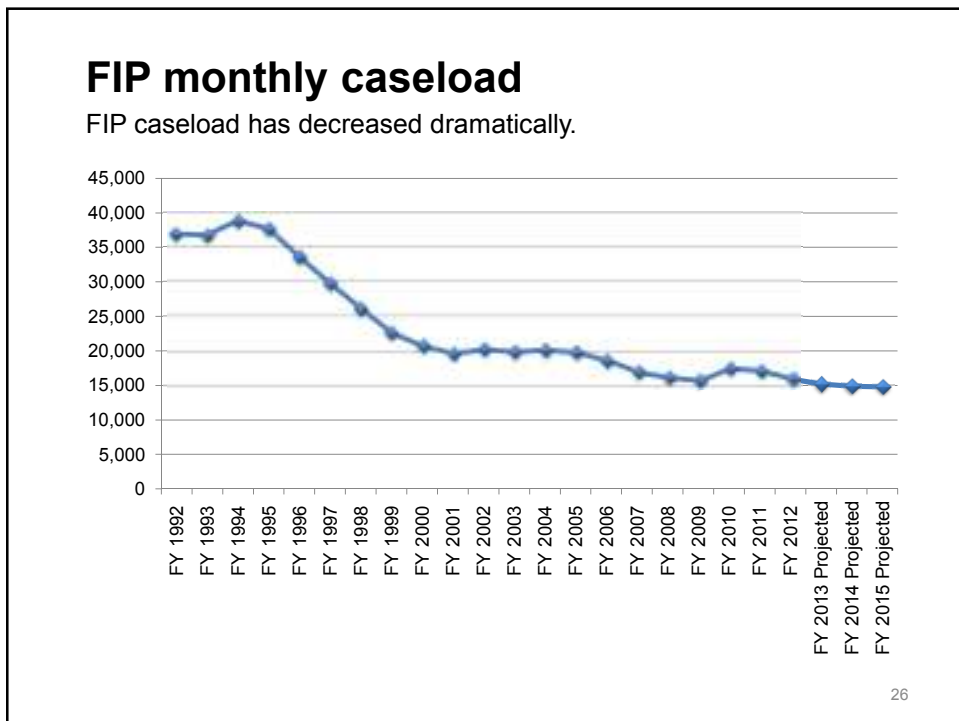
Iowa Department of Human Services

Family Investment Program (FIP)

The FIP budget for state general funds is constant from SFY13 through SFY14 and SFY15

- Benefits are limited to a five-year lifetime limit with exceptions in hardship cases.
- The average family receives FIP for 22 months.
- After years of decline, caseloads increased during the 2009-2010 recession.
- Caseloads are again falling and are near modern-day lows.
- A gradual decline is projected until June 2014 when caseloads are expected to level out.

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Iowa Department of Human Services

Child Care Programs

The SFY14 General Fund Governor's recommendation is a \$1,041,387 (1.7 percent) decrease from SFY13.


The SFY14 TANF funding in the Governor's recommendation is \$25,732,687, an increase of \$3,000,000 (13.2 percent) over SFY13.

The average number of children served per month is projected at:

- 23,542 for SFY13
- 23,702 for SFY14.

The SFY15 General Fund budget replaces added TANF dollars used in SFY14.

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Iowa Department of Human Services

Child Support Recovery Unit

The SFY14 budget reflects \$1,024,229 (7.8 percent) increase from SFY13.
The SFY15 budget reflects a \$696,149 increase over SFY14.

CSRU collections reimburse the FIP program for public assistance benefits. Without full funding, decreased collections increase funding needed for FIP.

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Iowa Department of Human Services

Field

The number of social work staff directly affects child and adult safety.
The number of income maintenance staff directly affects timely, accurate determination of initial and ongoing eligibility for benefits and service.

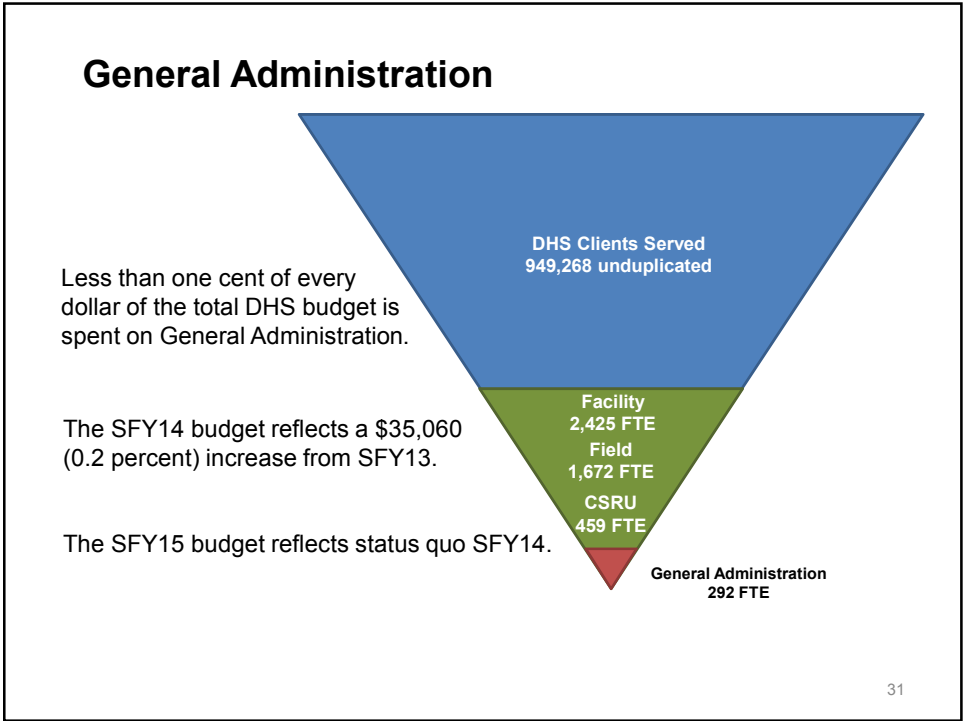
The number of all field staff—supervisors, support and workers—directly impacts compliance with state and federal requirements.

The SFY14 budget reflects a \$1.8M (5.2 percent) increase from SFY13.
The SFY15 budget reflects status quo SFY14.

The SFY14 budget will support 1,672 FTEs and caseloads as follows:

IM 839	SW2 107	SW3 13.2
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Iowa Department of Human Services

*... making a positive difference
in the lives of lowans*

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