

CITY & COUNTY OF SAN FRANCISCO

HUMAN SERVICES AGENCY

*promotes well-being and self-sufficiency
among individuals, families and communities*

Human Services Agency FY17-18 & FY18-19 Budgets



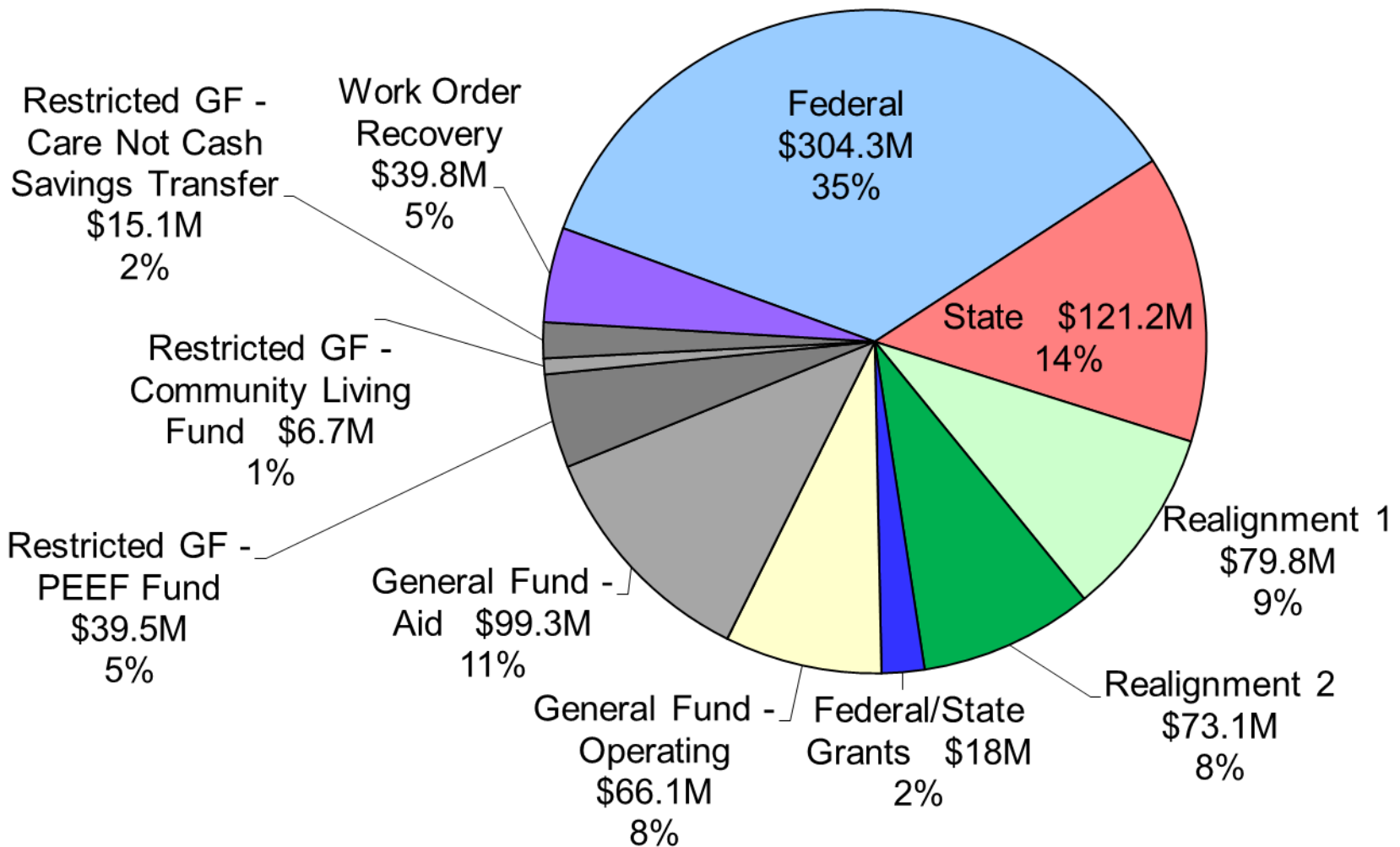
Community Budget Meeting January 10, 2017



CITY & COUNTY OF SAN FRANCISCO

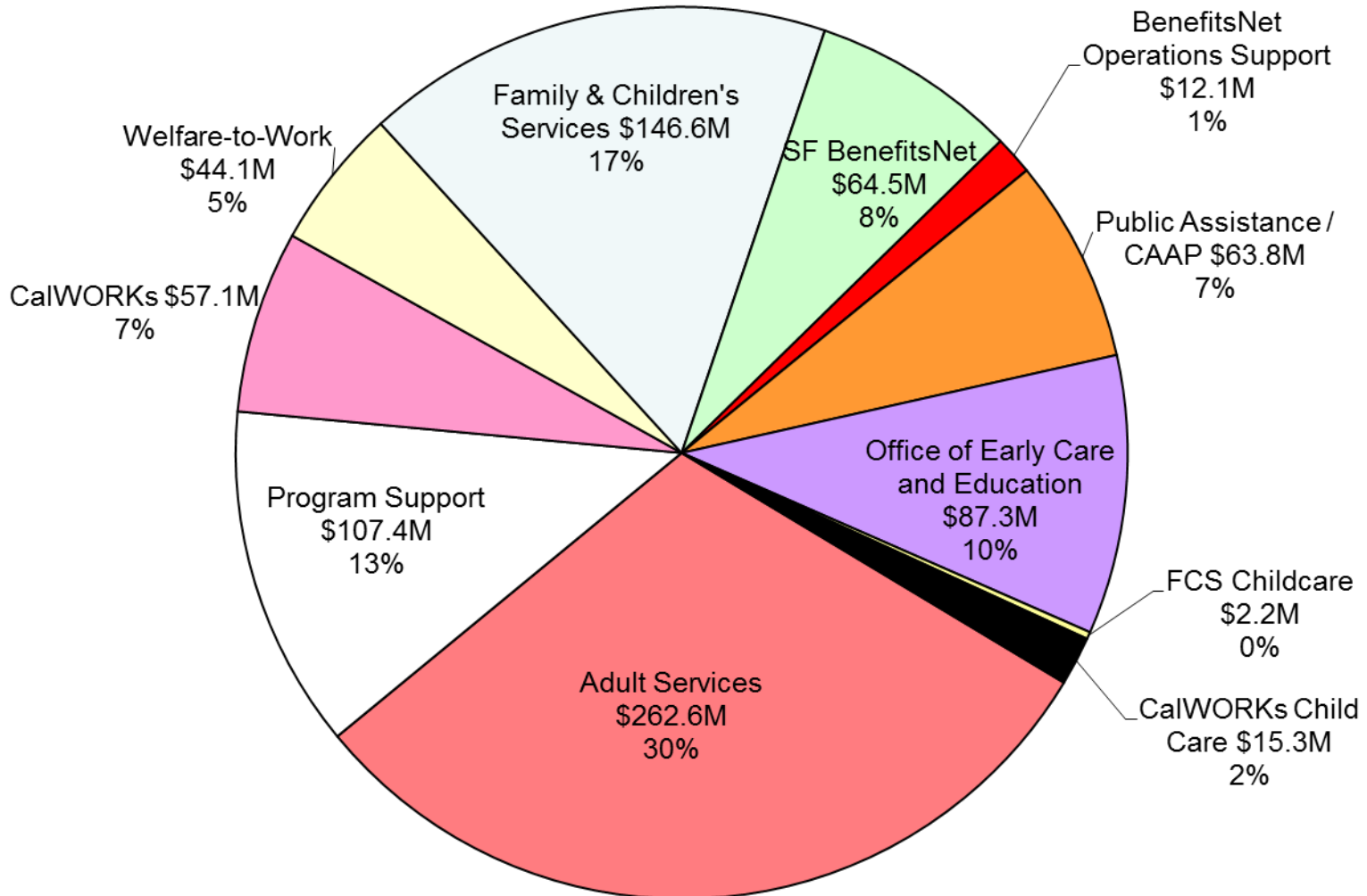
HSA FY16-17 Original Budget By Sources

\$862.9M



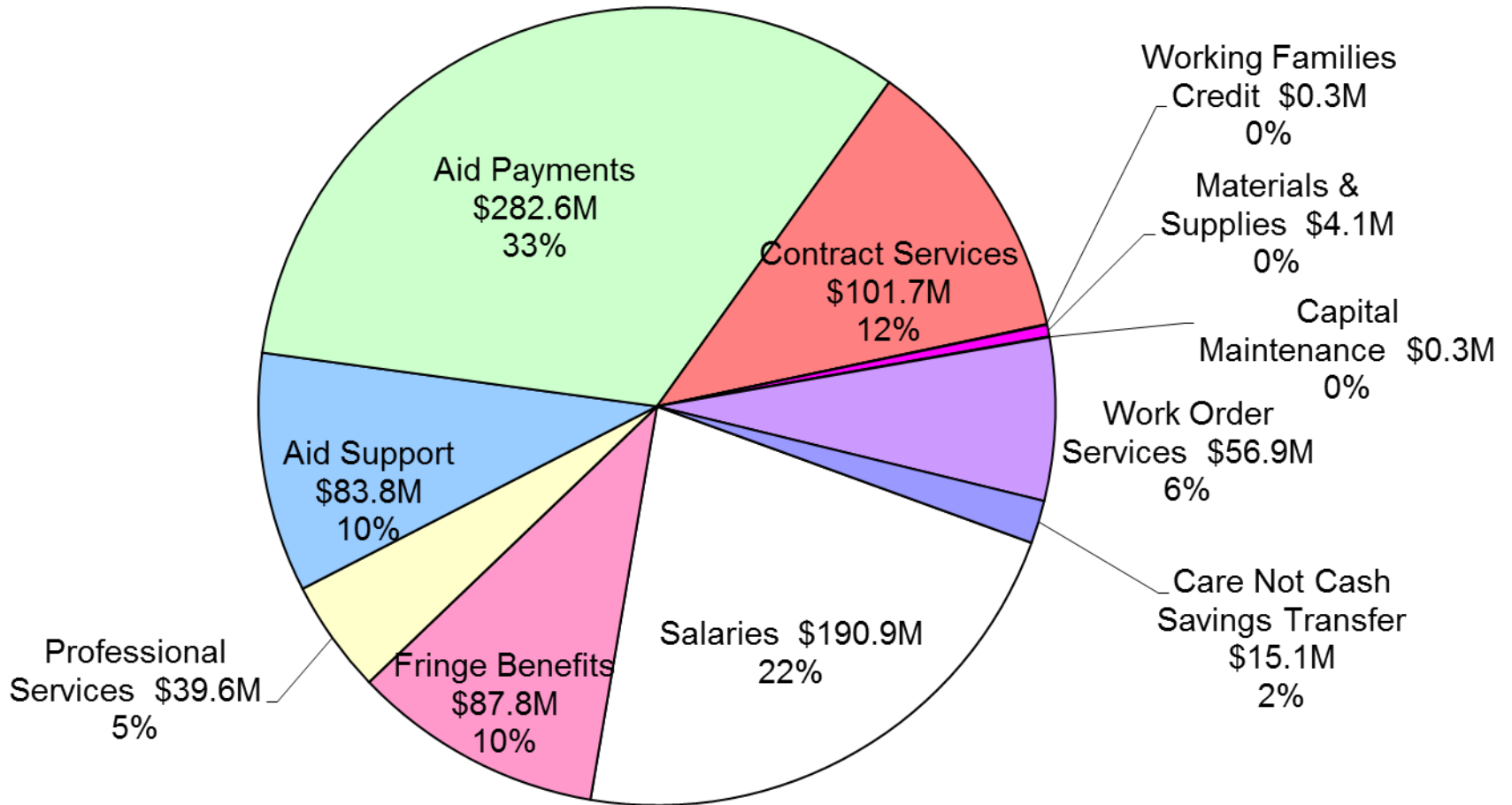
HSA FY16-17 Original Budget By Program

\$862.9M

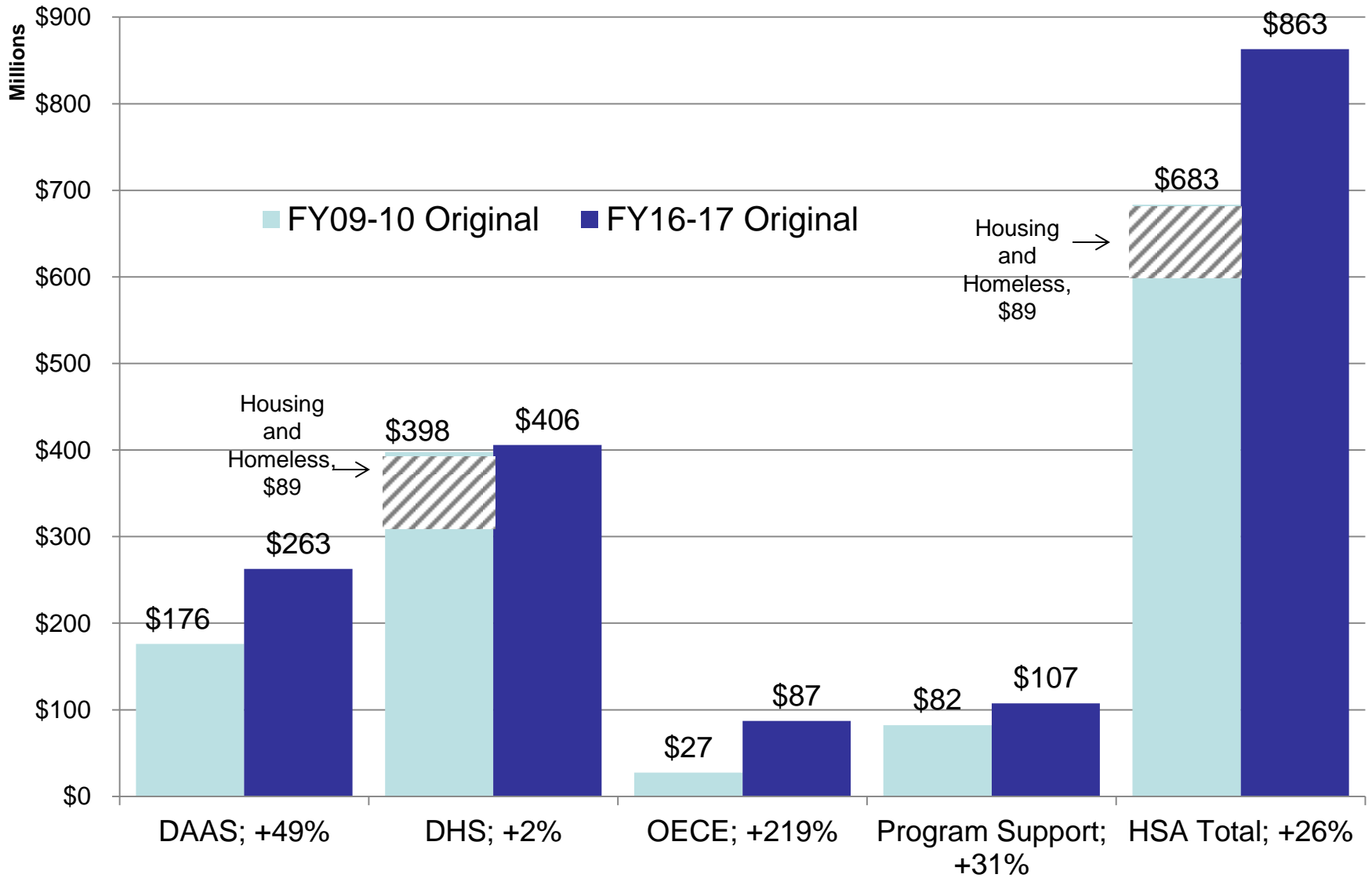


HSA FY16-17 Original Budget by Character

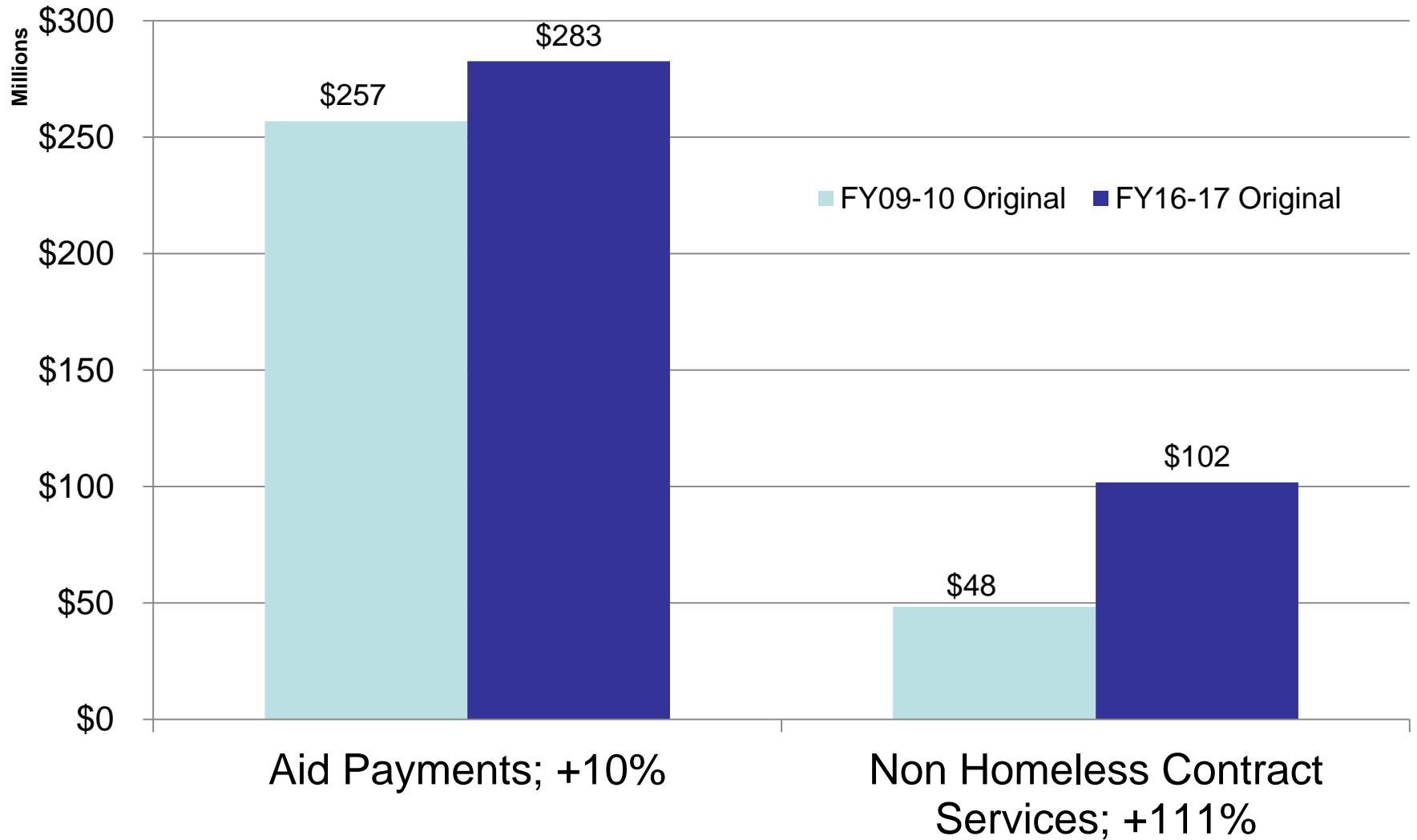
\$862.9M



HSA Total Budget FY09-10 vs FY16-17

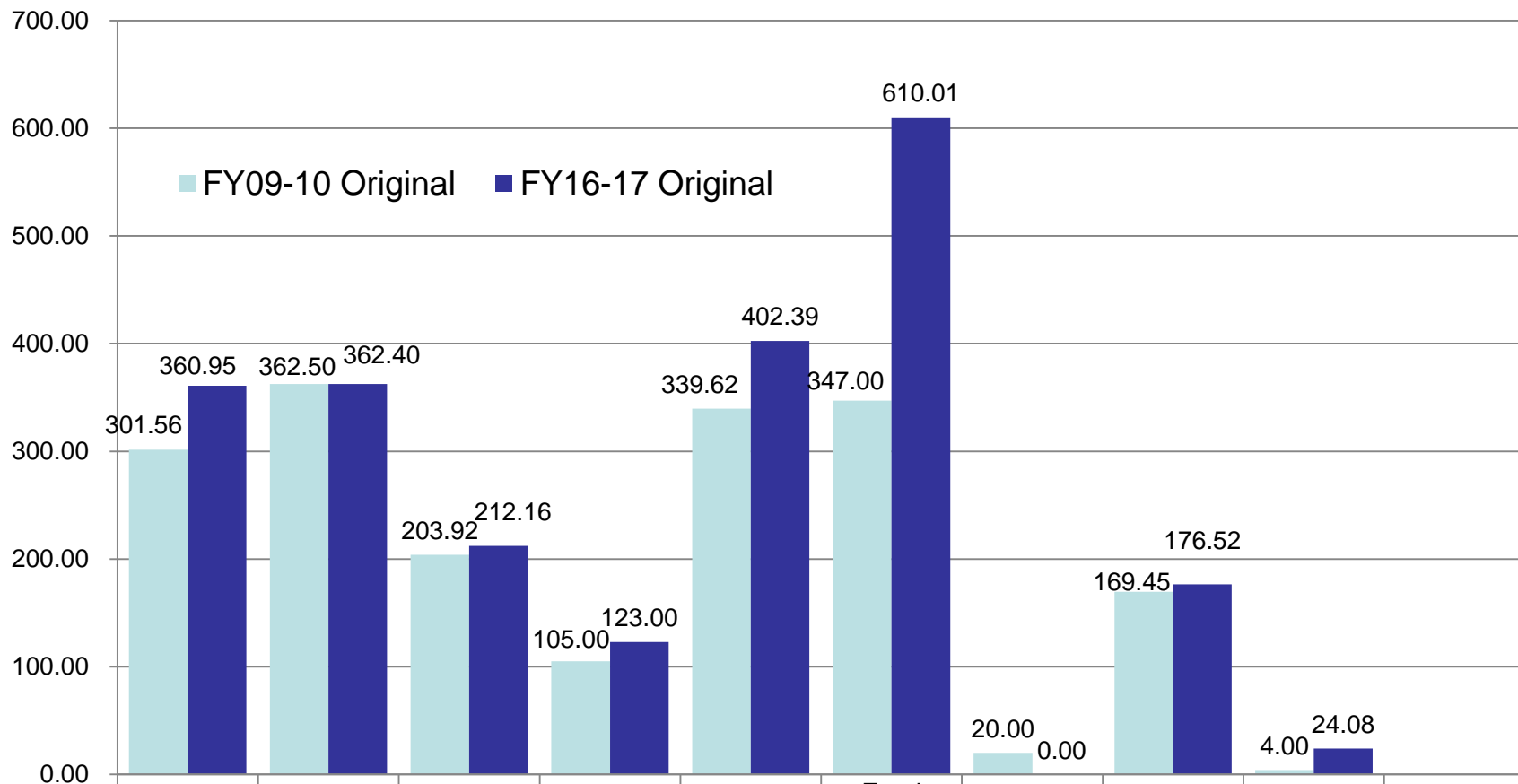


HSA Budget by Character FY09-10 vs FY16-17



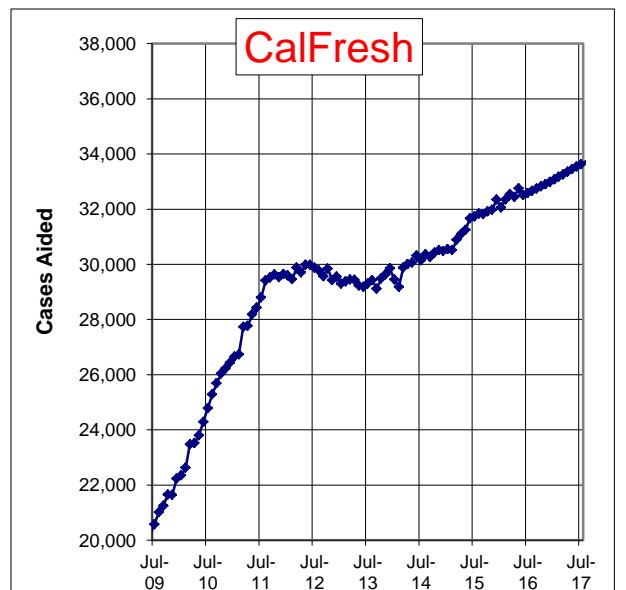
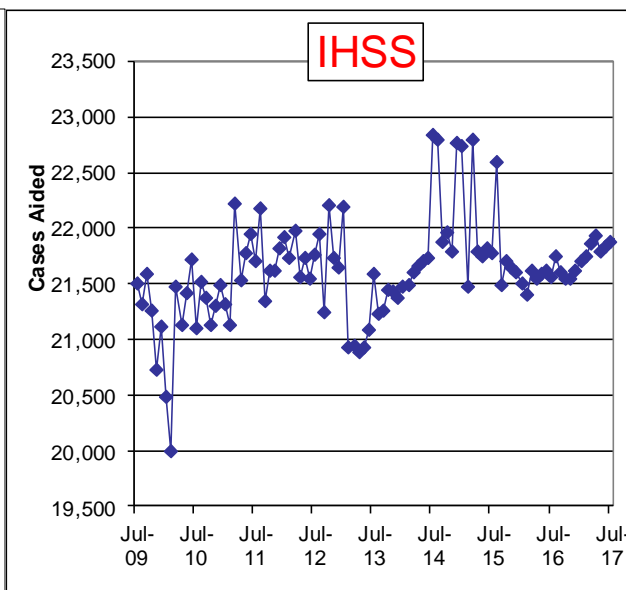
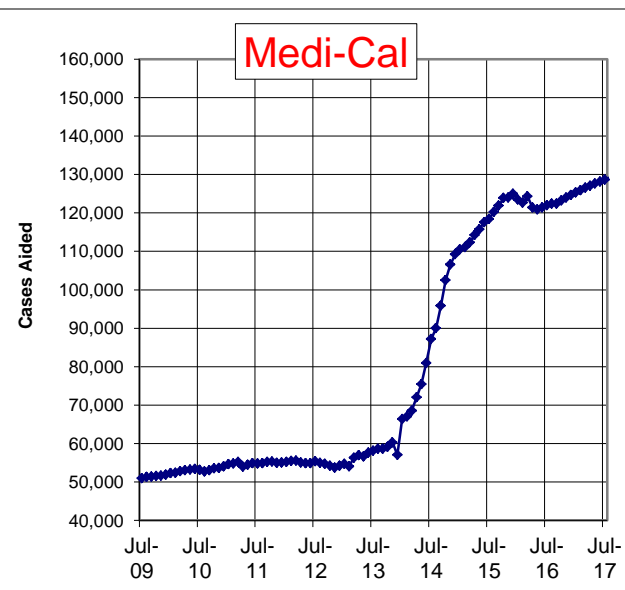
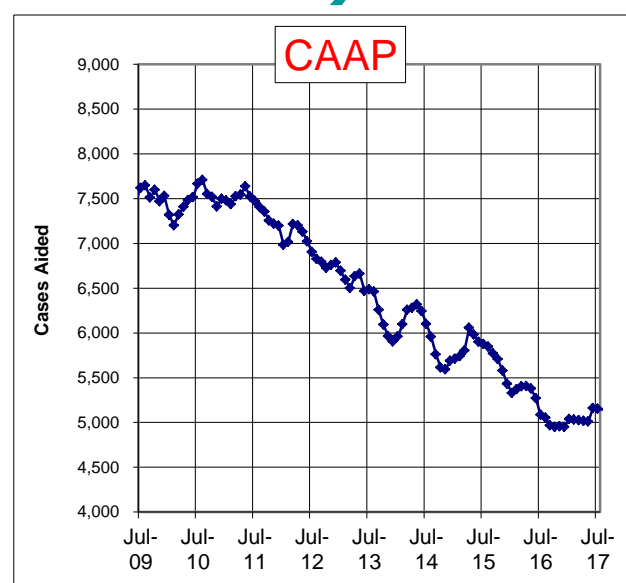
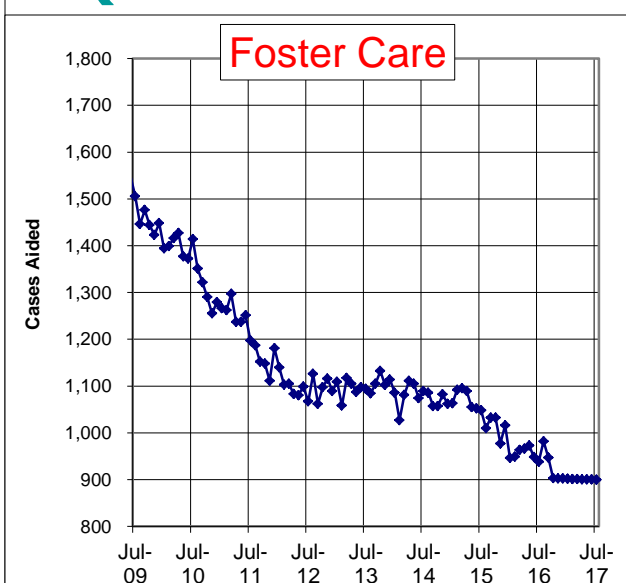
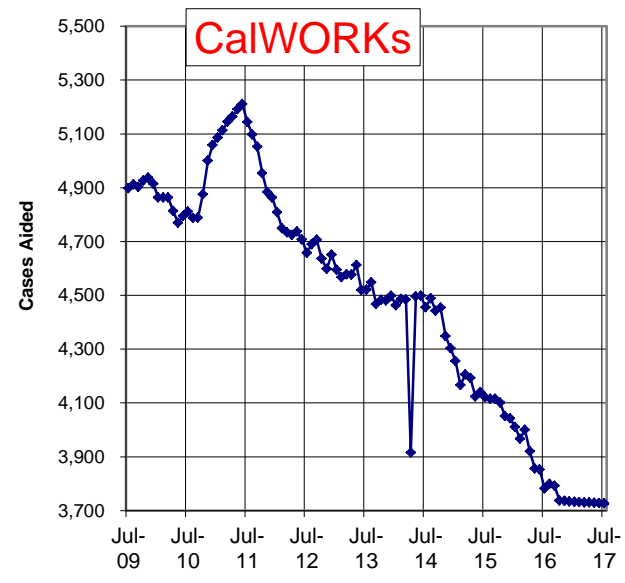
FTE

HSA Positions Budget FY09-10 vs FY16-17



FY09-10 Original	301.56	362.50	203.92	105.00	339.62	347.00	20.00	169.45	4.00	1,853.05
FY16-17 Original	360.95	362.40	212.16	123.00	402.39	610.01	0.00	176.52	24.08	2,271.51

HSA Caseload (Actuals thru October 2016)



Mayor's FY17-18 & FY18-19 Budget Projections

Revenues are expected to increase, but expenses increase faster.

Citywide Projected Shortfall (in millions)	FY17-18	FY18-19
Total Revenue	143.9	328.7
Total Expenditures (Salary & Benefits: (145.8)/(273.1), Baselines & Reserves (46.7)/(116.1); Citywide Uses*: (70.4)/(222.9))	(262.9)	(612.1)
Cumulative Shortfall	(119.0)	(283.4)

*Citywide Uses include: general operating increases (e.g. minimum wage, utility rates, and debt service), and capital/equipment/IT investments.

Mayor's Budget Assumptions

- Projected deficits into the future are on the rise again
- Additional revenue will not close the deficit as it has in recent years
- Employee costs are largest driver of deficits
- Indications of slowing growth but not in recession or cutting services or doing layoffs
- Fiscal approach should be disciplined, responsible, and willing to make trade-offs

Mayor's Budget Instructions

- For FY17-18 agencies are to propose ongoing general fund reductions of 3% - \$1.5 Million for HSA
- For FY18-19 agencies are to propose ongoing general fund reductions of an *additional* 3% - \$3.2 Million for HSA
- Agencies should not grow FTE count

Mayor's Budget Instructions

Agencies are to reflect the Citywide Strategic Initiatives:

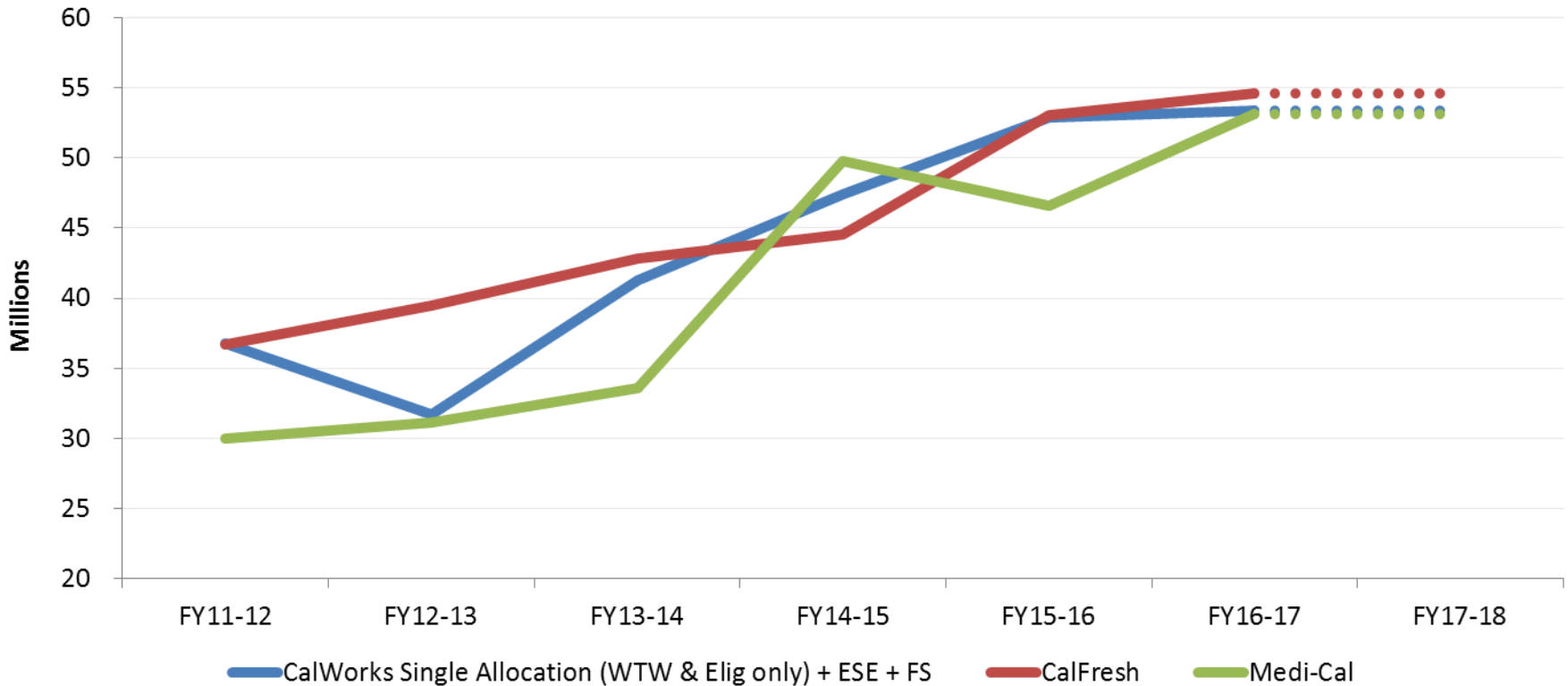
- Residents and families that thrive
- Clean, safe, and livable communities
- Diverse, equitable, and inclusive City
- Excellent City services
- City and region prepared for the future

HSA Budget Strategies

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

HSA Budget Strategies

Growth in HSA Revenues - FY11-12 to FY17-18



While major federal and state revenues have grown by 56% from FY11-12 to FY16-17, we are projecting these allocations will be flat in FY17-18

Post-Election Uncertainty

At this point in time, there have been no changes to any of the programs administered by the Department of Human Services, the Department of Aging and Adult Services and the Office of Early Care and Education.

However, there are current Congressional efforts to repeal key aspects of the Affordable Care Act.

There is also speculation about pulling back Federal funding to Sanctuary Cities.

Medi-Cal and the Affordable Care Act (ACA)

Medi-Cal provides health care services to more than 13 million low-income Californians.

Funded with both state and federal dollars, enrollment in Medi-Cal increased by several million after the implementation of ACA, in part by expanding coverage to low-income adults who were previously ineligible.

- Approximately one in four San Franciscans now receives Medi-Cal coverage.
- Enrollment has nearly doubled since implementation in 2013, from approx. 101,000 individuals to 195,000+ in 2016.
- All immigrants who meet the income guidelines can receive Medi-Cal emergency and pregnancy care, regardless of immigration status. All immigrant children can receive full-scope Medi-Cal, regardless of immigration status.

Affordable Care Act (ACA)

Nationally, ACA provides medical insurance for nearly 20 million Americans.

The incoming Presidential administration and Republican Controlled Congress have indicated their intention to repeal and replace the ACA.

Emerging strategy is “Repeal *and Delay*” the effective repeal date for 2 or 3 years

- Congress is using the budget reconciliation process to try to repeal key provisions, including.
 - Federal funding provided each year to states that have expanded eligibility for Medicaid. (estimated at \$15 billion for California)
 - Subsidies for private health insurance coverage obtained through the public exchange markets (estimated at \$5 billion for California)
 - Tax penalties imposed on people who go without insurance and on larger employers who do not offer coverage to employees.
- The new administration supports some of the existing provisions, including coverage for pre-existing conditions and allowing parents to keep their children on their insurance until age 26.
- There is speculation that states could have the option to keep Medicaid expansion but on their own dime

Federal Funding to Sanctuary Cities

The incoming Presidential administration has indicated its intention to defund sanctuary cities.

Implementing this “policy” would require acts of Congress with regard to each programmatic funding source.

To now, there has been no legislative action taken to block San Francisco from receiving federal funding.

It is unclear how efforts to defund would advance without significant implications for public health and safety, infrastructure, and education initiatives for millions of individuals and families.

Mayor Lee has reaffirmed his commitment to ensuring that San Francisco remains a Sanctuary City.

Department of Human Services Highlights

Self-Sufficiency: CalWORKs and Workforce Development

- Sustained focus on implementation of the Housing Support Program, Family Stabilization and Jobs NOW Subsidized Employment.
- Promoting work participation for the full CalWORKs caseload through repeated efforts to engage clients in employment opportunities, beginning at application and continuing throughout the life of the case.
- Improving CalWORKs client engagement by providing whole family services, robust appraisal and more intensive connection between staff and participants
- Planning for targeted outreach to underserved neighborhoods and populations with goal of enrolling more eligible clients in benefits

DHS Highlights

Self-Sufficiency: Project 500

Scale up implementation of Project 500, a collective impact initiative that seeks to break the cycle of intergenerational poverty among low-income San Francisco families.

P500 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.

DHS Highlights

SF Benefits Net: Medi-Cal and CalFresh

- Leveraging technology, workflow automation and business intelligence to increase operational efficiency, improve quality assurance and use data to drive decision making.
- Preparing for expiration of the CalFresh ABAWD Waiver at the end of 2017
 - Able Bodied Adults W/o Dependents will be limited to 3 months of CalFresh in each 36 month period unless meeting work requirements.
 - Approximately 9,000 CalFresh clients in SF could potentially be impacted by the waiver sunset; some subset of these will be exempted from the work requirement.
 - SFHSA is developing strategies for helping ABAWDs to meet the work requirement so that they can maintain benefits.

DHS Highlights

SF Benefits Net: Medi-Cal and CalFresh

- Benefits Outreach
 - Ongoing outreach and inreach to encourage Medi-Cal enrollment, despite uncertainties related to the ACA
 - Focus on increasing CalFresh uptake rate, particularly among likely eligible clients already accessing Medi-Cal
 - Multiple targeted outreach strategies in place, among them:
 - Onsite benefits application at Navigation Centers, numerous community based organizations, SFGH, and other locations
 - The CalFresh Outreach Coalition, organized by the SF Marin Food Bank, generates over 600 CalFresh online applications each month.
 - Partnership with 211 San Diego to conduct CalFresh inreach to Medi-Cal clients
 - Collaborating with School District to provide parents, applying for free/reduced school meals, a box to check to receive outreach services.
 - In 2016 held over 20 events (10 CalFresh in a Day, 11 Single Day Events, 5 PHC events) with a similar schedule planned for 2017.
 - Will soon add SFBN staff at 3120 Mission Street to handle increased client services.

DHS Highlights

Self-Sufficiency: CAAP

- In January 2017, CAAP implemented revised 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.
- Changes include:
 - All clients who have been in SF for at least 30 days and are meeting minimum program requirements receive the higher of the two grant amounts.
 - Former 32-hour a week work requirement to earn the higher grant is now voluntary. Employment opportunities are available to all clients who want and are able to work.
 - New work activities for clients needing light duty assignment available starting Spring 2017.
 - Sanction periods for non-fraudulent discontinuances reduced to 30 days
- CAAP will continue to make it simpler for clients to access benefits
 - Orientation will become part of the initial intake screening instead of a separate appointment
 - Working to clarify and expedite the intake process
 - Collaborating with and expanding CAAP outreach efforts with the new Homeless Department

DHS Highlights

Family & Children's Services

- Roll-out of Continuum of Care Reform (AB 403), which is most significant child welfare reform of the past decade
 - Increased reliance on family-based care settings (rather than congregate care) means additional recruitment for foster families/homes and streamlining of licensing process for all caregivers
- Expanded 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
- Federal child welfare finance reform (Family First Prevention Services Act of 2016) did not pass before Congress adjourned in mid-December

DAAS Highlights

- OOA Nutrition program received an additional \$2.9M in funding for FY16.17 through addbacks from both the Mayor's Office and Board of Supervisors
- Funding was provided to pilot a Home Care program for clients who earn slightly too much to qualify for IHSS
- New programming for Senior Employment, LGBT Isolation, extending funding for senior and adults with disabilities housing subsidies, case management wage increases, and Village program expansions
- Funding shifted over from DPH for the Scattered Site housing program

Department of Aging & Adult Services Highlights

32 New Positions were added to the DAAS Budget in FY16-17 including:

- New Unit in Adult Protective Services focused on high-risk cases of self-neglect and potential evictions
- New IHSS Intake Unit to help address the 10% increase in Intakes since 2012 as well as screening for dementia and depression
- Expansion in the IHSS Quality Assurance staffing
- Additional supervision for the IHSS Care Transitions program
- Support for the Public Conservator, Dignity Fund, and a new Deputy Director position

DAAS Highlights

Implementing the Dignity Fund

- Dignity Fund Coalition, DAAS, and HSA currently meet biweekly to:
 - ✓ Create an Oversight and Advisory Committee (OAC)
 - ✓ Establish a planning process for FY17-18 Dignity Fund expenditures
 - Baseline Dignity Fund budget is \$38 million
 - Additional \$6 million will be added in FY17-18 and must be allocated
- To support Dignity Fund planning beginning in FY16-17, DAAS will:
 - ✓ Develop internal capacity to support the Dignity Fund
 - ✓ Fund consulting services to conduct surveys and focus groups
- DAAS will work with the OAC to:
 - ✓ Conduct a Community Needs Assessment (FY17-18)
 - ✓ Develop a Service and Allocation Plan (FY18-19)

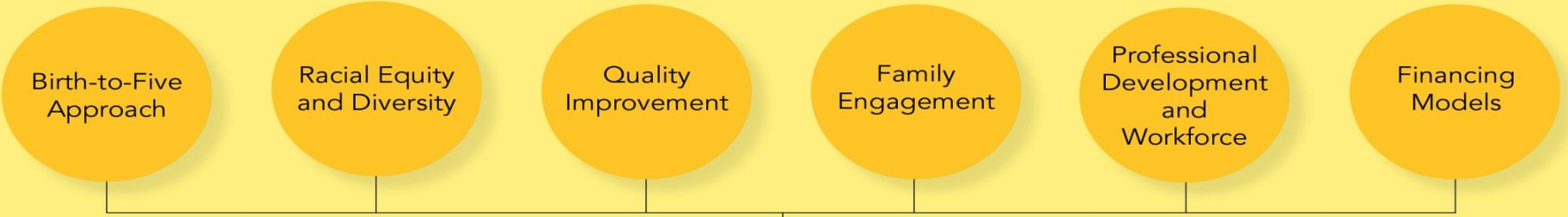
Office of Early Care and Education Highlights

- ***Building Our Team***: New Finance; Data and Evaluation capacity
- OECE, in collaboration with First 5 and SFUSD, mandated to ***develop evaluation strategy for all ECE services*** over the next few years
- Second phase of transition of PEEF from First 5 to OECE including ***direct administration of Preschool for All*** (effective 10/1/16)
- Implementation of recommendations from recent ***Comprehensive Fiscal Analysis*** and ***San Francisco Citywide Plan for Early Care and Education***
 - Procurement process this spring to implement new funding approach



OECE STRATEGIC FRAMEWORK

Citywide Plan for Early Care & Education Endorsed Recommendations



Key Concepts

Early Learning Scholarship

Connections
Improving Family & Provider Experience

Initial System Improvement Strategies

① Pay fairer rates to providers

② Ensure continuity of care for families

③ Reduce redundant paperwork and reporting

④ Improve family outreach and matching system

OECE Highlights

FY2017-18 Priorities

- Implement New Funding Approach: Move to a more streamlined fee-for-service model with standard rates informed by the cost of quality while maximizing state and federal dollars
- Improve 0-5 Continuity of Care for Families
 - Exploring collaboration with CalWORKs for 12-month child care eligibility
 - Requesting collaboration with California Department of Education for 24-month early education eligibility
 - Offering program year eligibility for low-income families and 0-5 continuity for target population families as resources allow
- Explore grants and public-private partnerships opportunities to expand funding and services

HSA FY17-18 & FY18-19 Budget Timeline

- Dec 8 Mayor's Budget Instructions Released
- Jan 10 HSA Budget Meeting with Community and CBO partners
- Jan 26 Human Services Commission – 1st budget meeting
- Feb 1 Aging & Adult Svcs Finance Committee – 1st budget mtg.
- Feb 15 Aging & Adult Svcs Commission – 2nd budget meeting
- Feb 16 Human Services Commission – 2nd budget meeting
- Feb 21 Agency Proposed Budget due to Mayor
- June 1 Mayor submits budget to Board of Supervisors (BoS)
- June BoS Budget Committee Hearings
- July Budget Considered at BoS