



Edwin M. Lee, Mayor

Department of Aging and Adult Services
Shireen McSpadden, Executive Director

MEMORANDUM

TO: Aging and Adult Services Commission Finance Committee
 THROUGH: Shireen McSpadden, Executive Director
 FROM: Daniel Kaplan, Deputy Director of Administration, Human Services Agency (HSA)
 DATE: January 25, 2017
 SUBJECT: Department of Aging and Adult 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

Adult Protective Services

Over FY16/17, DAAS successfully assisted with the launch of a collaborative financial abuse outreach and prevention effort, the Veteran's Benefits and Protection Project (VBPP). The goals of VBPP are to develop a strong, collaborative communication system to respond to complaints, detect fraud, and stop scammers. Veterans, their families, and community providers are educated about pension poaching scams. VBPP toolkits also direct elders who have been scammed to resources that can help, such as Adult Protective Services, and connect those wishing to apply for veterans benefits to the local County Veterans Service Office. This effort is supported by a coalition of local and state entities, including but not limited to: the San Francisco Mayor's Office; the California Department of Insurance; the Office of the Attorney General; the County Veterans Service Office; and the Institute on Aging's Elder Abuse Prevention Program.

By the end of FY 16/17, APS will have a specialized unit of social workers operating to specifically address cases involving high risk self-neglect, substance use, and risk for eviction or loss of housing. These social workers will receive advanced training in the area of Cognitive Behavioral Therapy therapies and Motivational Interviewing. The clients that are assisted by the staff in this unit will be monitored by the APS program on a gatekeeper basis at regular intervals past case closure to ensure on-going stabilization and to facilitate the ability to monitor the outcome of the interventions.

County Veterans Service Office

The County Veterans Service Office (CVSO) assists veterans, most of whom are disabled, and their dependents in obtaining U. S. Department of Veterans Affairs' benefits and entitlements. The Veteran's Office represents veterans, their dependents and survivors during the benefits claims process. The CVSO office is co-located with the DAAS Integrated Intake Unit and DAAS Eligibility teams at the DAAS Benefits and Resources Hub at 2 Gough. Retired Air Force Sergeant Dorian Carr has recently been appointed to fill the County Veterans Service Officer role. After twenty years of service in the Air Force, he has worked for the last nine years as a Veterans Service Representative with the last three years in the San Francisco CVSO.

Dignity Fund

Representatives from DAAS and the Dignity Fund coalition have been meeting since passage of the ordinance to develop processes and timelines for implementation of the Fund. Areas of discussion include formation of the Oversight and Advisory Committee, identification of priorities for allocation of the initial funding for 2017-18, review of the baseline amounts per the ordinance, and timelines.

The Oversight and Advisory Committee appointments are in process. Eight of the eleven members have been identified; 3 members from the LTCCC, 3 members from the Advisory Council, and 2 members from the Aging and Adult Services Commission. The final three at-large appointments will be completed by February 1. The first meeting of the OAC will occur mid-late February.

DAAS leadership and the coalition representatives have reviewed the current needs assessment and have engaged in discussions to identify the areas of allocation of first year funds. Based on current needs assessment, those areas include supporting and enhancing community service, home-delivered meals,

support for people with dementia, senior employment, and services specifically directed to younger adults with disabilities, people aging with HIV, and isolated seniors.

In-Home Support Services (IHSS)

The Governor's budget proposal indicates that the Coordinated Care Initiative (CCI) will no longer be cost effective for the state. Therefore, pursuant to the provisions of current state law, the CCI will be discontinued in FY 17-18 and related changes – including the IHSS county Maintenance of Effort (MOE) – would be repealed and replaced by the historical IHSS cost-sharing percentages beginning July 1, 2017.

Staff estimates that the additional cost to San Francisco of shifting from the MOE to a share of cost is approximately \$43.3 million in FY17-18. These costs grow significantly in FY18-19 – primarily as a result of the voter-approved minimum wage increase to \$15.00 per hour beginning July 1, 2018– before somewhat leveling off in FY19-20.

Long-Term Care Operations

DAAS has several new or significantly expanded programs in the LTC Operations Division. The Support at Home program is a pilot program that provides subsidized home care for persons ineligible for IHSS but unable to afford the full cost of home care. This program was advocated for by community members and supported as a Mayoral initiative and with addback funding from the Board of Supervisors (total budget: \$1.65 million).

Also new this year is an \$805K grant from the U.S. Department of Health and Human Services' Administration for Community Living (ACL) to implement a three-year project to advance San Francisco's dementia care network. Persons living with Alzheimer's Disease and related dementias (ADRD) are part of a population that is particularly vulnerable to institutionalization; they and their caregivers are in profound need of specialized supportive services, which help them remain independent, safe, and at home within their communities.

Finally, the Rental Assistance Demonstration project (RAD) – formerly known as the Services Connect Program – has grown by \$1.5 million this year. The purpose of the grants is to provide service connection to seniors residing in San Francisco Rental Assistance Demonstration (RAD) converted Housing Development units, formerly public housing units operated by the San Francisco Housing Authority.

Office on Aging (OOA)

HSA's Office of Contract Management issued a \$16.7 million Request for Proposal (RFP) for the OOA Nutrition Program. During the FY16/17 budget process, the Nutrition program received \$2.9 million from the Mayor and Board of Supervisors to continue one-time addbacks and further expand services. These new funds will help reduce waitlists for the home-delivered meal and home-delivered grocery programs and add seats in the congregate meal program.

In response to recommendations from the LGBT Aging Policy Task Force, DAAS developed new programs related to reducing isolation among LGBT Seniors and Adults with Disabilities and a new training program for community providers regarding aging and dementia issues faced by LGBT seniors.

The Senior and Adults with Disabilities Employment Program – modeled on the ReServe program– will be debuting at DAAS this year, supported by addback funding. This program's goal is to recruit and develop work sites and provide job placements for seniors and adults with disabilities. The contractor will provide

part-time employment opportunities to seniors and adults with disabilities by placing them at non-profit organizations and businesses in need of their unique experience and skills. Costs of work provided by program participants will be subsidized by grant funds in order to incentivize placement opportunities.

There had been an additional \$1.5 million scheduled to fund an expansion of the DAAS Housing subsidies program that was contingent on the passage of a local tax initiative. Since that new tax did not pass at the November elections, the program will not be expanding. However, the current program budget of \$1.5 million has become part of the department's baseline funding and will remain ongoing.

Public Conservator

The Public Conservator program provides mental health conservatorship, a legal procedure that authorizes psychiatric treatment of a person found by the Court to be gravely disabled due to mental illness and who is unable or unwilling to accept voluntary treatment. Conserved individuals are typically institutionalized during treatment and stabilization. With support from the Mayor's Office, DAAS has been working with the Department of Public Health (DPH) to develop a model for a community collaborative conservatorship court. As with other San Francisco collaborative courts (e.g., Drug Court, Behavioral Health Court), the design will draw on partners in the offices of the District Attorney and Public Defender and intensive case management programs, and participation will be voluntary. The purpose of this court is to reduce placements in unnecessarily restrictive settings and facilitate stabilization for persons struggling to live safely in the community but whose needs do not rise to the level of full conservatorship with placement in a locked facility for treatment.

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 Department of Aging and Adult Services Commission, we will present you with a full proposal of the DAAS budget for FY 2017-18 and FY 2018-19, for your review and final approval.