



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #188

### **Children and Family Aids (Children and Families -- Children and Families)**

[LFB 2013-15 Budget Summary: Page 97, #3]

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#### **CURRENT LAW**

The children and family aids program is comprised of state and federal funds that the Department of Children and Families (DCF) distributes to counties for the provision of services related to child abuse and neglect and to unborn child abuse, including prevention, investigation, and treatment services. Base funding for children and family aids is \$67,071,200 (\$30,403,900 GPR, \$20,533,700 FED, and \$16,133,600 PR).

#### **GOVERNOR**

Maintain overall funding levels for children and family aids, but adjust revenue sources budgeted to support children and family aids by: (a) replacing GPR funding for the Wisconsin statewide automated child welfare information system (eWiSACWIS) with federal Title IV-E funding (-\$581,300 GPR and \$581,300 FED annually); (b) replacing targeted case management (TCM) funding with federal Title IV-E funding (\$7,757,300 FED and -\$7,757,300 PR annually); and (c) replacing federal Title IV-E funding with additional social services block grant (SSBG) funding (-\$30,900 FED and \$30,900 PR in 2013-14 and -\$13,100 FED and \$13,100 PR in 2014-15).

TCM funds are reimbursements under medical assistance (MA) for case management services that counties provide to children who are in out-of-home care and whose care is not eligible for reimbursement under Title IV-E of the Social Security Act. Costs for these services are initially paid with state and local funds that are federally reimbursable. Therefore, the state may use these funds for any purpose.

The Department of Health Services (DHS) will be implementing a new health care program for children and youth in foster care and other out-of-home care to improve the quality,

timeliness, and access of health services for children and youth in out-of-home care. The foster care medical home (FCMH) program will offer comprehensive, coordinated services for children in foster care in the state. The targeted case management services that counties currently provide will be mostly replaced with the FCMH program. Therefore, once the FCMH program is operational, DCF anticipates a large reduction in TCM funds available for child welfare activities.

## DISCUSSION POINTS

1. Under the federal Budget Control Act (BCA) sequestration, revenue from Title IV-B of the federal Social Security Act and federal SSBG funding was reduced. DCF has estimated that the sequestration would result in a reduction of funding for children and family aids of \$613,600 (-\$320,000 FED and -\$293,600 PR) in 2013-14 and \$673,200 (-\$368,700 FED and -\$304,500 PR) in 2014-15. The following table shows the level of funding under the bill and the revised estimates due to the federal BCA sequestration.

### Funding for Children and Family Aids Related Programs Reestimates for 2013-15 Biennium

	Funding for 2013-14			
	<u>GPR</u>	<u>FED</u>	<u>PR</u>	<u>Total</u>
Funding Under AB 40	\$29,822,600	\$28,841,400	\$8,407,200	\$67,071,200
More Recent Estimates				
Title IV-B	\$0	-\$320,000	\$0	-\$320,000
SSBG	<u>0</u>	<u>0</u>	<u>-293,600</u>	<u>-293,600</u>
Subtotal	\$0	-\$320,000	-\$293,600	-\$613,600
Total	\$29,822,600	\$28,521,400	\$8,113,600	\$66,457,600

	Funding for 2014-15			
	<u>GPR</u>	<u>FED</u>	<u>PR</u>	<u>Total</u>
Funding Under AB 40	\$29,822,600	\$28,859,200	\$8,389,400	\$67,071,200
More Recent Estimates				
Title IV-B	\$0	-\$368,700	\$0	-\$368,700
SSBG	<u>0</u>	<u>0</u>	<u>-304,500</u>	<u>-304,500</u>
Subtotal	\$0	-\$368,700	-\$304,500	-\$673,200
Total	\$29,822,600	\$28,490,500	\$8,084,900	\$66,398,000

2. A total of \$66,457,600 in 2013-14 and \$66,398,000 in 2014-15 would be available for children and family aids during the 2013-15 biennium. The Committee could approve this modified level of funding for the children and family aids program (Alternative 1).

3. The children and family aids program is comprised of state and federal funds that are distributed by DCF to counties and tribes for the provision of services related child abuse and neglect and to unborn child abuse, including prevention, investigation, and treatment services. Given the shortage of funding at the local level, it is unlikely that counties and tribes would be able to replace this reduction in funding. With a reduction in funding, counties and tribes would provide child abuse and neglect prevention services to fewer people, provide fewer services, or both.

4. In addition, it was the intent of the bill to maintain overall base funding for children and family aids. In order to maintain overall base funding for children and family aids, the Committee could provide \$613,600 GPR in 2013-14 and \$673,200 GPR in 2014-15 (Alternative 2).

**ALTERNATIVES**

1. Modify the Governor's proposed level of funding for children and family aids to reflect reductions of \$613,600 (-\$320,000 FED and -\$293,600 PR) in 2013-14 and \$673,200 (-\$368,700 FED and -\$304,500 PR) in 2014-15 due to the federal BCA sequestration.

<b>ALT 1</b>	<b>Change to Bill Funding</b>
FED	- \$688,700
PR	<u>- 598,100</u>
Total	- \$1,286,800

2. Modify the Governor's proposed level of funding for children and family aids to provide \$613,600 GPR in 2013-14 and \$673,200 GPR in 2014-15 to maintain the same level of funding that was provided under the bill.

<b>ALT 2</b>	<b>Change to Bill Funding</b>
GPR	\$1,286,800

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