

County Social Services Administration Funding

Background

The state provides critical funding for counties to administer mandated health and human services programs. The Governor's January budget proposal outlines General Fund commitments for county administration of three programs – In-Home Supportive Services (IHSS), Medi-Cal, and the county Single Allocation for the California Work Opportunity and Responsibility to Kids (CalWORKs) program. CSAC is appreciative of the funding commitment and the consultation with counties in the preceding months to revise the methodologies used to determine the administrative costs of these programs. For each of the above programs, CSAC has identified specific items to engage on throughout the 2018-19 budget process.

For the **CalWORKs Single Allocation**, the budget proposal includes a one-time augmentation, but the overall funding level represents a \$56.5 million cut from current year funding. In addition, the required discussions to develop a new methodology have not yet concluded. A new methodology revising the current caseload-driven budget methodology is necessary to insulate counties and beneficiaries from experiencing huge swings in year-to-year funding levels. CSAC will advocate for restoration of the

proposed \$56.5 million cut to ensure funding stability and continue the methodology discussions with the Brown Administration. This will allow counties to stabilize operations and focus on other CalWORKs reforms.

The budget proposal also outlines the ongoing methodology for **Medi-Cal administration**, which includes an annual cost of living adjustment. CSAC supports this methodology and the additional funding it provides in 2018-19. Concerns remain with a proposal to end the reallocation of unspent funds, which would eliminate the flexibility to ensure that funding is appropriately distributed among counties. This reallocation is critical for counties and CSAC will advocate for maintaining this flexibility.

For **IHSS administration**, significant progress was made through the end of last year on revising this methodology. The proposed state General Fund commitment is offset by the elimination of one-time funding, with the net result of a nearly flat funding with the current year. In partnership with the County Welfare Directors Association, CSAC will engage in continued conversations with the Brown Administration to further understand the assumptions and adjustments that were used for this methodology.

Talking Points

- Counties need alignment between county costs to administer these programs and state funding in order to effectively deliver these critical services.
- CSAC urges restoration of the \$56.5 million cut to the CalWORKs Single Allocation to keep funding stable and allow time for the development of a new methodology.
- CSAC will remain engaged in discussions related to IHSS administration to ensure that the proposed budgeting methodology accurately reflects county costs.

