

2012/2013
BUDGET BRIEFING
HOUSE APPROPRIATIONS COMMITTEE (D)
 Report on Key Issues
 HOUSE APPROPRIATIONS COMMITTEE (D)



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Department of Public Welfare Human Services & Services to Children

The governor's budget proposal reflects a \$29.6 million reduction in funding for the Department of Public Welfare. However, to get to this bottom line, his 2012/13 budget includes \$766 million in cuts to DPW programs to offset increased costs driven by inflation, caseload, litigation, and federal statutes. Nearly half of these cuts are to the state-funded General Assistance program which provides both cash assistance and medical assistance to low income adults who do not qualify for federal aid. This is in addition to the \$1.03 billion cuts in the enacted 2011/12 budget.

Human Services Development Fund (HSDF) Block Grant

A major initiative in the 2012/13 Department of Public Welfare (DPW) budget is Governor Corbett's proposal to consolidate funding for various county-run human services programs into a single Human Services Development Fund (HSDF) Block Grant to be distributed among the 67 counties. The programs that would be rolled into the HSDF Block Grant include community mental health services, community intellectual disabilities programs, drug and alcohol treatment services, child welfare, and

homeless assistance. The proposal claims counties would have the flexibility to use the block grant funds for those programs that best address local needs and would be relieved of certain rules and requirements (which have yet to be specified). In return for this increased flexibility, state funding to counties would be cut 20 percent.

As proposed, the existing Human Services Development Fund appropriation would be converted into a \$755 million block grant that includes state and federal funding from other line items in the current DPW budget. The table below lists the seven DPW appropriations impacted by this

20 Percent Less Funding for Counties - Human Service Programs Merged into New Block Grant

(State Funds in Millions of Dollars)

DPW Appropriations Impacted by HSDF Block Grant Proposal	Program/funding components merged into the proposed HSDF Block Grant	2011/12 Enacted State Funds	2012/13 80% to HSDF Block Grant	2012/13 20% Cut in Funding
Mental Health Services *	county allocations for community programs	550.469**	\$440.376	-\$110.093
Intellectual Disabilities - Community Base Program *	county allocations for base program	144.974**	\$115.979	-\$28.995
County Child Welfare *	special grants, other than independent living grants	\$48.533	\$38.826	-\$9.707
Behavioral Health Services		\$47.908	\$38.326	-\$9.582
Homeless Assistance		\$20.551	\$16.441	-\$4.110
Human Services Development Fund		\$14.956	\$11.965	-\$2.991
MA Outpatient *	Act 152 D&A program	\$14.727	\$11.782	-\$2.945
TOTAL		\$842.118	\$673.694	-\$168.424

* Only a portion of the appropriation would be block granted, as noted in column two

** Amount includes enacted funds plus certain adjustments, as explained in the text of this document.

proposal and identifies the specific programs and funds that would be merged into the new HSDF Block Grant. For 2012/13, state funding transferred to the block grant would total \$674 million — **\$168 million, or 20 percent, less than the amounts appropriated in the 2011/12 enacted budget.**

The following sections provide a more detailed description of the line item appropriations, including the various program components, the populations eligible for services, and the current methodology for disbursing funds. Many programs — especially mental health, intellectual disabilities, and county child welfare — are prescribed by state and/or federal law, regulations, legal agreements, or negotiated contracts that must be altered in order to achieve significant funding changes. To further complicate matters, funding for certain programs are currently distributed to “county joiners” in which two or more counties have joined together to operate the program within their geographic area. Specifically, Pennsylvania currently has 48 MH/ID offices that are responsible for administering community mental health and community intellectual disability programs. Whereas for drug and alcohol programs there are 49 Single County Authorities responsible for administering drug and alcohol treatment services.

Mental Health Services

The Mental Health Services appropriation currently funds both the state mental hospital system operated directly by DPW and the community mental health programs administered by the counties.

Pennsylvania’s state mental hospital system is comprised of six hospitals (in Berks, Lackawanna, Montgomery, Montour, Warren, and Westmoreland counties) and one restoration center (in Franklin County). The six state mental hospitals provide general psychiatric inpatient treatment for

Questions Linger About Plan’s Effectiveness

The County Commissioners Association of Pennsylvania has expressed its support for the HSDF Block Grant proposal, even though the Corbett administration has provided few details regarding how the new block grant will actually be implemented. Some of the immediate questions that come to mind are:

- **How will funds be distributed among the 67 counties?** This is especially a concern in those cases where county joiners, rather than individual counties, currently administer existing programs and share the program funding that is allocated annually by DPW.
- **How will counties meet their residents’ needs when state funding is cut \$168 million?** This is especially problematic considering the deep cuts that DPW is concurrently proposing to the state-funded General Assistance program which will, in turn, further increase the number of Pennsylvanians who will need county human services in the upcoming year.
- **Which specific regulations will be modified or eliminated to give counties the increased flexibility they desire?**
- **What, if any changes, will be made to existing state laws that govern certain programs?**
- **To what extent will consumers, service providers, and other stakeholders have input in how block grant funds are spent within individual counties?**
- **What provisions/reporting requirements will be put in place to track and monitor the use of block grant funds?** Counties must be held accountable for how they spend the money.
- **What assurances will there be that the various programs rolled into the block grant are meeting intended goals and that targeted populations continue to receive services?**

adults with serious mental illness who require extended treatment. In addition, two of these hospitals offer specialized treatment programs for mentally ill adult offenders and defendants. Only adults are in the state hospitals — children and adolescents are treated in community-based facilities. The restoration center provides licensed skilled nursing and intermediate long-term care services to elderly former residents of state hospitals who require nursing home care.

Community services are targeted to adults with serious mental illnesses and to children/adolescents with or at-risk of serious emotional disturbances. The Mental Health and Intellectual Disability Act of 1966 (formerly known as the MH/MR Act)

establishes responsibilities for county government, defines eligibility and identifies mandated services. This act requires the counties to establish mental health programs with nine mandated services, including:

- short-term inpatient treatment,
- partial hospitalization,
- outpatient care,
- 24-hour emergency services,
- rehabilitation and training, and
- aftercare services for persons released from state mental hospitals.

Community mental health programs are administered by 48 Mental Health/Intellectual Disability (MH/ID) program offices which serve the 67 counties. The county MH/ID offices determine a person's eligibility for service funding, assess the need for treatment or other services, and make referrals to appropriate programs. Most services are delivered by local mental health providers under contract with the county.

In addition to the services mandated by the MH/ID Act, community mental health services also include:

- case management to assure individuals receive needed services,
- employment and training programs for adults,
- residential living arrangements such as personal care homes, group homes and supervised apartments, and
- family supports such as respite care and family-based mental health services that enable families to care for their child at home.

Currently, DPW allocates state and federal appropriations among the 48 county offices as direct grants to pay for community programs. The amount allocated to each county program is based on prior year funding, with adjustments to maintain current levels of service and to implement or expand programs. In general, the counties are required to contribute a 10 percent match for the cost of services. The following services are funded in full by the state (no county match required): inpatient treatment, partial hospitalization, intensive case management, crisis intervention, psychiatric rehabilitation, and children's psychosocial rehabilitation services.

The 2012/13 budget proposal requests \$166.8 million in the state appropriation for Mental Health

Services, a decrease of \$550 million compared to 2011/12. The proposed funding reduction to this appropriation reflects the impact of the new HSDF Block Grant:

- The portion of the appropriation that is allocated to counties to pay for community mental health programs is eliminated. Instead, these community programs will be funded through the new HSDF Block Grant as explained in greater detail below.
- The portion of the appropriation that pays for the state mental hospital system remains with the current appropriation. In the same appropriation are certain small federal grant programs that fund community services, such as the federal PATH (Project for Assistance in Transition from Homeless) grant program which provides services to individuals with a mental illness who are homeless or who are at-risk of being homeless.

Specifically, the 2012/13 request for Mental Health Services includes nearly \$166 million in state funding for the state hospital system, or approximately \$5 million less than the 2011/12 enacted budget. This decrease is largely due to hospital staff reductions as well as increased federal Medicare funding in 2012/13 which reduce the need for state funds. There is no plan to close any of the state hospitals in the upcoming year; however, three wards will be closed (and 60 positions eliminated) at Norristown State Hospital. The hospital downsizing is a direct result of the 2011/12 initiative which, pursuant to the Frederick L. v. Department of Public Welfare lawsuit settlement agreement, will move 90 hospital residents into the community by June 30, 2012.

Approximately \$1 million of the proposed Mental Health Services state appropriation will continue to support PATH and other federal grant community programs. State funding for all other community mental health programs will be block granted to counties at a reduced amount that is equivalent to 80 percent of the 2011/12 county allocations with certain adjustments. The enacted 2011/12 Mental Health Services state appropriation included \$545 million for community programs which is eliminated in the proposed 2012/13 budget. However, for purposes of calculating the amount to be transferred to the new HSDF Block Grant, DPW must adjust for the fact that the 2011/12 budget only included partial year funding for the 90

hospital residents being moved into community programs (per the Frederick L. settlement). Consequently, another \$4.95 million must be added to reflect the additional cost associated with providing a full twelve months of community services to these individuals in the upcoming fiscal year. This, together with other small additions, results in an adjusted 2011/12 state funding level of \$550.5 million for community programs, of which 80 percent (or \$440 million) is transferred to the HSDF Block Grant.

In addition, the governor's 2012/13 budget proposal would eliminate the following county-allocated federal funds (\$47.7 million) from the Mental Health Services appropriation:

- Federal Community Mental Health Services Block Grant (\$14.3 million),
- Federal Social Services Block Grant (\$10.4 million),
- Federal Administrative Case Management funding (\$22.7 million), and
- Federal Bioterrorism Hospital Preparedness funding (\$296,000).

Eighty percent of federal administrative funding is transferred to the new HSDF block grant. The other federal funds are transferred in full.

Intellectual Disabilities – Community Base Program

The Mental Health and Intellectual Disability Act of 1966 requires counties to provide services and supports for persons with intellectual disabilities (ID). The act establishes responsibilities for county government, defines eligibility and identifies mandated services. DPW funds these community services through two separate appropriations: ID Community Waiver Program and ID Community Base Program.

- The ID Community Waiver Program is available to individuals who are at least 3 years old and who, based on a medical evaluation, meet the functional criteria for ICF/ID eligibility – that is, they would otherwise require the level of care provided in an institution for persons with intellectual disabilities. (*The Waiver Program will be addressed in a separate DPW budget briefing.*)
- The ID Community Base Program serves individuals of all ages who are not eligible for the Waiver program as well as those Medicaid

eligible individuals who are not yet enrolled in the Waiver program.

The state and federal funds appropriated for the ID Community Base Program support both residential and non-residential services provided to eligible individuals. Services in the base program include:

- case management,
- supports coordination to assist individuals in accessing services,
- recreational therapy and recreation/leisure time activities,
- employment training,
- family support services, and
- home modification.

The 48 county MH/ID offices enroll individuals in programs and authorize services outlined in the service plans developed for each individual. Most services are delivered by local agencies under contract with the county program offices. In addition to these services, a portion of the ID Community Base Program appropriation is used to pay the costs associated with administering the community ID programs (both waiver and base programs). This includes funding for the local independent monitoring teams that assist the county offices in improving the quality of community ID services and the Regional Health Care Quality Units that assist with improving the physical and behavioral health of individuals receiving community ID services.

Most of the state funds in the ID Community Base Program appropriation are allocated to the 48 MH/ID offices as direct grants to pay for the community programs. DPW makes a separate (and significantly smaller) distribution which funds certain operating costs incurred by counties and specific support services provided to Medicaid eligible persons not yet enrolled in the Community Waiver program (these services qualify for federal Medicaid reimbursement and are subject to federal rules).

The 2012/13 budget proposal requests \$20.7 million in state funding for the ID Community Base Program, **a decrease of \$145.8 million compared to the 2011/12 enacted budget.** This reduction reflects the impact of the HSDF Block Grant initiative.

- The portion that remains in the appropriation (\$20.7 million) is the amount that DPW

distributes to counties for certain operating costs and Medicaid eligible services provided to individuals not yet enrolled in the ID Waiver.

- **The portion of the appropriation that is allocated to counties for community programs is eliminated.** Instead, these community programs will be funded through the new HSDF Block Grant as explained in greater detail below.

State funding will be block granted to counties at a reduced amount that is equivalent to 80 percent of the 2011/12 county allocations with certain adjustments. The enacted 2011/12 ID Community Base Program state appropriation included \$145.9 million for county allocations which is eliminated in the 2012/13 proposed budget. However, for purposes of calculating the amount to be transferred to the new block grant, DPW makes a downward adjustment worth \$951,000 to reflect the availability of additional federal Social Services Block Grant funding which can be used to replace existing state funds in the upcoming fiscal year. This reduction results in an adjusted 2011/12 state funding level for county allocations of almost \$145 million, of which 80 percent (or \$116 million) is transferred to the HSDF Block Grant.

In addition, the governor's 2012/13 proposed budget would eliminate the following county-allocated federal funds (\$37.8 million) from the ID Community Base Program appropriation:

- Federal Social Services Block Grant (\$7.5 million)
- Federal Administrative funding (\$30.3 million)

Social Services Block Grant funds are transferred in full to the new HSDF Block Grant. However, only 80 percent of federal administrative funding is transferred to the block grant.

County Child Welfare

As required in the County Code and the Public Welfare Code, the County Child Welfare appropriation under the Department of Public Welfare (DPW) provides state and federal funds to support county-administered social services programs for children and youth in all 67 counties.

Each county Children and Youth Agency develops a comprehensive array of services that meets the needs of children and families in that county. Services include:

- in-home services (such as counseling, treatment, and therapy),
- prevention services,
- placement services (foster care, kinship care, and emergency shelter),
- family reunification services, and
- adoption services.

Child welfare programs are funded through a combination of state, federal and county dollars. The majority of funding is from state Act 148 (General Funds), federal Title IV-E, and county funds. Based on the type of services delivered, varying levels of state reimbursement (ranging from 50-100 percent) are provided to counties. This is often referred to as a county match on state Act 148 funds.

Each year, the proposed funding level for child welfare services is built from the Needs-Based Plan and Budget (NBB) process. Article VII of the Public Welfare Code establishes child welfare services as an entitlement service that is the joint responsibility of DPW and county government. DPW administers the funds and regulates the services, while the counties provide the services to families and children consistent with their approved NBB and the state regulations that govern the county children and youth agencies.

The NBB process became effective in July 1991, as part of a litigation settlement that was filed by counties to increase state funding of child welfare services. Act 30 of 1991 established the NBB process litigation settlement into statute with a four-year phase-in. Chapter 3140 of 55 PA Code, was amended in 1992 to incorporate the requirements of Act 30. The regulations (55 PA Code Chapter 3140.17) require an annual plan submission and review process. The Office of Children, Youth and Families (OCYF) in DPW reviews plans for reasonableness, using defined criteria. After the review process, DPW submits the aggregate NBB request to the Governor's Budget Office.

In recent years, OCYF also extracted components from the NBB process, known as special grants, which do not have to meet the same county match requirements (often at a lesser rate) and aim to improve research-based practices in child welfare. Examples include reunification services, adoption practices, independent living services for those

aging out of the system, information technology, housing assistance and reintegration services.

On Oct. 7, 2008, federal House Resolution 6893, the Fostering Connections to Success and Increasing Adoptions Act, was signed by the president and became Public Law No: 110-351. The law is designed to connect and support relative caregivers, improve the lives of children in foster care, support tribal foster care and adoptions, and improve incentives for adoption. The act includes federal incentives for states to provide support for young people aging out of the foster care system (up to age 21). The 2012/13 budget proposal provides for the support of these individuals age 18-21 in foster care. By maximizing federal funds available, the budget proposal anticipates a savings of \$4.5 million.

County Child Welfare Appropriation for FY 2011/12	\$1,000,475,000
<i>less budgetary freeze in 2011/12</i>	<i>(\$10,005,000)</i>
<i>less savings due to maximizing federal funds</i>	<i>(\$4,500,000)</i>
<i>less transfer of special grants to Human Services Development Fund Block Grant</i>	<i>(\$48,533,000)</i>
<i>plus additional costs to fund the Needs-Based Budgets</i>	<i>\$58,458,000</i>
County Child Welfare Appropriation in Gov's Proposed Budget for FY 2012/13	\$995,895,000

As shown in the table on page 1 on the Human Services Development Fund Block Grant, Gov. Corbett's 2012/13 proposed budget would move funding for certain special grants (evidence based practices, Pennsylvania Promising Practices, housing initiatives and truancy programs) to the new block grant.

Behavioral Health Services

Behavioral Health Services is a state appropriation that jointly funds county mental health services and county drug and alcohol treatment services for adults who are not eligible for Medical Assistance. It was created in response to Act 35 of 1996 which revised eligibility criteria for General Assistance Medically Needy Only benefits, ending state-funded medical assistance for approximately 18,800 individuals in need of drug and alcohol treatment services or mental health services. This is discretionary state funding, not governed by legislation, of which 40 percent is currently used for mental health services and 60 percent for drug and alcohol treatment. DPW allocates the mental health funding to the 48 county MH/ID offices responsible

for administering mental health services at the local level. The drug and alcohol funding is allocated to the 49 Single County Authorities responsible for administering drug and alcohol treatment services at the local level.

As shown in the table on page 1 on the Human Services Development Fund Block Grant, the 2012/13 budget proposal would eliminate the Behavioral Health Services appropriation and transfer funding (at 80 percent of the 2011/12 level) to the new block grant. In 2011/12, \$47.9 million was appropriated for Behavioral Health Services.

Homeless Assistance

The Homeless Assistance program operates through counties to provide temporary shelter to homeless individuals and rental assistance to those in immediate danger of becoming homeless. Types of shelter may include mass shelters or residency at hotels and motels through a voucher system.

Housing assistance may include a cash payment to prevent or end homelessness, or other intervention to prevent homelessness where an eviction is imminent. In addition to preventing homelessness, assistance is available to move people out of temporary shelters into permanent housing. Case management services are used to assure ongoing coordination with the client and to assist the client with activities needed for self-sufficient living.

A small number of counties also provide specialized residences for the mentally ill homeless where there are larger concentrations of these individuals. This component provides housing for an indefinite period of time, coupled with supportive services that will enable the client to move to a long-term semi-independent or independent living situation.

No statutory mandate exists for the provision of these services.

As shown in the table on page 1 on the Human Services Development Fund Block Grant, Gov. Corbett's 2012/13 proposed budget would move funding for homeless assistance programs (at 80 percent of the 2011/12 level) to the new block grant. In 2011/12, \$20.551 million was appropriated for Homeless Assistance.

In addition, the governor's 2012/13 budget proposal would eliminate the following federal funds (\$6.2 million) from the Homeless Assistance

appropriation and transfers them in full to the Human Services Development Fund Block Grant:

- Federal Substance Abuse Block Grant (\$2 million).
- Federal Social Services Block Grant (\$4.2 million).

Human Services Development Fund (through FY 2011/12)

The Human Services Development Fund is a separate existing program that the governor's budget proposal rolls into the Human Services Development Fund Block Grant.

In past fiscal years, counties were able to supplement categorical human services program funding through support received under Human Services Development Fund (HSDF). County governments could use funds under this appropriation for a wide range of social services included within the seven county-operated programs of adult services, aging, children and youth, drug and alcohol, homeless assistance and community mental health/mental retardation. DPW has allocated funds to counties based on the formula in Act 116 of 1998. Under the Act, the minimum payment to counties is \$50,000. The Act specifies that payments to counties are subject to available funding.

As **shown in the table on page 1** on the Human Services Development Fund Block Grant, Gov. Corbett's 2012/13 proposed budget would continue funding for the traditional HSDF program under the block grant, while **cutting funding by 20 percent compared with 2011/12**. In 2011/12, \$14.956 million was appropriated for HSDF.

Act 152 Drug and Alcohol Program

Funding for the Act 152 program is currently provided through the **Medical Assistance Outpatient** appropriation. Enacted in December 1988, Act 152 expanded drug and alcohol treatment services by requiring DPW to pay for non-hospital residential detoxification and rehabilitation services. Currently, DPW allocates Act 152 funding to the 49 Single County Authorities, which use the funds to serve uninsured people who are waiting to become eligible for Medical Assistance. Once individuals are eligible, they qualify for drug and alcohol treatment provided through the Medical Assistance behavioral health

managed care program.

As **shown in the table on page 1** on the Human Services Development Fund Block Grant, **the 2012/13 budget proposal would eliminate state funding for Act 152 services and transfer this funding (at 80 percent of the 2011/12 level) to the new block grant**. In 2011/12, the state appropriation for Medical Assistance Outpatient includes \$14.7 million for the Act 152 program.

Support for Children

Pennsylvania provides funding assistance to eligible families who need child care services in order to hold sustainable employment. In addition, funding is provided to ensure quality early childhood programs in the commonwealth.

Child Care Assistance

Since 1996, the federal government has provided states a block grant to operate welfare programs (Temporary Assistance for Needy Families or TANF). This is a flat dollar amount that is not adjusted for changes in caseload (the number of people receiving services) or inflation. Pennsylvania's TANF block grant amount of \$719 million has not changed since TANF funds were first allocated to states in 1996. To receive TANF funds, states must spend some of their own funds on programs for needy families. This is known as the "maintenance of effort" (MOE) requirement. Also, as a result of the federal Deficit Reduction Act (DRA) of 2005, effective October 2006, states need to meet stricter federal requirements regarding the work activities of families receiving TANF assistance.

To help families move from government dependence to self-sufficiency, Pennsylvania recognizes the importance of providing safe, affordable child care for families currently or recently enrolled in the TANF program. Under the Child Care Assistance appropriation, the commonwealth uses state and federal funds to subsidize the cost of care for children whose parents are participating in employment, education or training activities.

Child Care Services

The Child Care Services appropriation provides subsidized child care to low-income working families on a sliding fee scale. Participation in the program is dependent on available funds. **As of January 2012, the waiting list included 10,938**

children. This appropriation also funds the Keystone STARS program; a comprehensive, voluntary, early learning quality improvement initiative that received national recognition.

Working families with incomes up to 200 percent of the federal poverty guidelines (\$46,100 for a family of four) could qualify for a subsidy. Families can remain in the program until their income reaches 235 percent of the federal poverty guidelines (\$54,168 for a family of four).

A parent may choose any lawfully operating child care provider of his/her choice. This includes a center, a small family day care home, a group day care home, a relative, or neighbor. Most families pay between \$5 and \$25 per week for child care, regardless of the number of children who receive care. In general, the family's annual co-payment cannot exceed 11 percent of annual income. However, families with incomes at or below 100 percent of the federal poverty guidelines pay no more than eight percent of annual income. The 2011/12 enacted budget and amendments to the Public Welfare Code (Act 22 of 2010), permits the DPW secretary to increase co-payment for child care under both appropriations upon being published in the *Pennsylvania Bulletin*. Revised co-payment schedules were published Oct. 1, 2011 with an effective date of Oct. 3, 2011.

Child Care Cost-Savings Initiatives

The proposed 2012/13 budget includes two major cost-savings initiatives totaling \$10 million in the child care appropriations which will impact child care providers.

The first is an initiative to reduce the number of absences for which the commonwealth may pay a provider for a child care slot. Currently, the commonwealth allows for a paid absence for a child care slot of up to 10 consecutive days, with no annual cap on the number of days. The proposal would reduce that paid absence period to five consecutive days, with an annual cap of 30 days for full-time children and 20 days for part-time children.

The second cost-saving initiative is a reduction in the rate the commonwealth pays for unregulated relative and neighbor care.

Note that the 2011/12 enacted budget includes increased co-payment amounts for families

receiving child care services, effective Oct. 2011. The overall appropriation in the proposed 2012/13 budget is lower than the 2011/12 funding because of program changes implemented in the current year.

Cash Assistance

The Cash Grants appropriation funds monthly cash payments and supportive services allowances (transportation, clothing, etc.) to Temporary Assistance for Needy Families (TANF), General Assistance (GA) and State Blind Pension (SBP) recipients. GA and SBP programs are entirely state-funded. The Department of Public Welfare (DPW) receives a federal block grant (\$719 million annually) for the TANF program, which must be supplemented with state funds to meet federally mandated maintenance-of-effort requirements.

TANF cash assistance is provided for a limited time

General Assistance Cash Benefit Recipients by County (January 2012)			
County	# of G.A. Cash Recipients	County	# of G.A. Cash Recipients
Adams	93	Lackawanna	887
Allegheny	5,333	Lancaster	1,297
Armstrong	258	Lawrence	484
Beaver	552	Lebanon	294
Bedford	92	Lehigh	676
Berks	1,396	Luzerne	1,183
Blair	287	Lycoming	235
Bradford	105	McKean	211
Bucks	929	Mercer	383
Butler	371	Mifflin	163
Cambria	509	Monroe	379
Cameron	30	Montgomery	1,331
Carbon	129	Montour	30
Centre	102	Northampton	724
Chester	677	Northumberland	219
Clarion	103	Perry	82
Clearfield	212	Philadelphia	31,253
Clinton	79	Pike	109
Columbia	189	Potter	53
Crawford	371	Schuylkill	469
Cumberland	217	Snyder	66
Dauphin	780	Somerset	181
Delaware	1,622	Sullivan	16
Elk	87	Susquehanna	118
Erie	1,527	Tioga	90
Fayette	636	Union	59
Forest	11	Venango	166
Franklin	193	Warren	147
Fulton	62	Washington	564
Greene	190	Wayne	165
Huntingdon	91	Westmoreland	961
Indiana	164	Wyoming	60
Jefferson	126	York	796
Juniata	61	Totals	61,435

Who Benefits from GA Cash Assistance?

- About 96.8 percent of recipients are childless adults, who have a temporary or permanent disability.
- About 1 percent of recipients are children under 18 and under the care of an unrelated adult.
- About 1 percent of recipients are individuals age 18-20 in a secondary school.
- About 2.4 percent of recipients are individuals in a drug/alcohol program.
- Less than 0.3 percent of recipients are victims of domestic violence.

to people who meet income and resource guidelines. In particular, the TANF program is designed to assist: pregnant women, dependent children and their parents who live with them and dependent children and other relatives who live with/care for them. GA recipients do not qualify for TANF and often have temporary disabilities that prevent employment. Qualifications for GA eligibility are enumerated under Section 432(3) of the Public Welfare Code.

All TANF and GA recipients meeting certain criteria are required to participate in work activities:

- Single parent families with a child under age 6 must participate in 20 hours of work activities.
- Single parent families with no children under age 6 must participate in 30 hours of work activities.
- Two parent families not receiving child care supports must participate in 35 hours of work activities.
- Two parent families receiving child care supports must participate in 55 hours of work activities.

In 2011/12, TANF clients received average monthly cash payments of nearly \$145 per month, per recipient as well as allowances for support services and child care. Likewise, GA clients received average monthly cash payments of nearly \$208 and SBP clients received average monthly cash payments of nearly \$98. In November 2011, the cash assistance program served 220,618 TANF clients and 68,725 GA clients.

The 2012/13 budget proposal would eliminate cash assistance for General Assistance clients. This elimination equates to a cut of \$150 million in the

cash grants appropriation. The appropriation also accounts for a cut of \$10.5 million in state funds due to nonrecurring summer storm disaster assistance. The budget proposal includes nearly \$6.6 million in additional state funds for the anticipated increased caseloads for TANF and SBP.

New Directions

The New Directions appropriation funds the employment program activities of County Assistance Offices as well as job training and educational services funded through the Joint Jobs Initiative and other contracts. The purpose of these activities is to obtain full-time permanent employment for both General Assistance (GA) and Temporary Assistance for Needy Families (TANF) recipients, thereby reducing their need for public assistance.

Gov. Corbett's 2012/13 budget proposal provides level-funding for New Directions.

WorkFirst Initiative

The 2012/13 budget proposal references a policy initiative entitled WorkFirst. This initiative does not have budget implications (savings or costs).

Under the governor's proposal, each County Assistance Office (CAO) will have a designated employee to be a "jobs developer who will work with job creators, chambers of commerce and other industry groups to promote job placement for welfare recipients." **The proposal also would combine the functions of the PA CareerLinks (under the Department of Labor & Industry) and Employment Advancement and Retention Network (under DPW).** This initiative also calls for contracts with employment and training providers to be based on performance measures determined by the department.

DPW also will refocus the agreement negotiated with each recipient to reflect a "contractual Plan of Action," which will include that individual's work plan. This plan of action will outline certain benchmarks to be met. It is unclear how this plan would differ from the current "agreement of mutual responsibility" assigned to each case.

Funding for Adult Protective Services System

The 2012/13 budget proposal requests \$1.7 million in state funding so that DPW can fully implement the Adult Protective Services (APS) system created under Act 70 of 2010. The APS system is designed to protect adults with disabilities, between the ages of 18 and 59, from abuse, neglect, exploitation or abandonment. The system includes procedures for the reporting and investigation of complaints, and provides for the development of service plans to remove the adult from imminent harm and provide for their long-term needs. While DPW is responsible for administering the APS system, actual protective services are to be provided by local agencies under contract with DPW.

Act 70 stipulates that DPW could not contract with local agencies until final regulations are published or funds are appropriated. During 2011, DPW used its existing staff and resources to develop regulations and to implement an interim strategy for receiving and responding to calls of suspected abuse or neglect.

Under Gov. Corbett's 2012/13 budget proposal the funding requested would be used to:

- implement an adult protective services system

that will log and track cases to ensure that proper action was taken and the individual was protected,

- establish a dedicated phone line to report cases of abuse and neglect, and
- dedicate resources in each office to investigate priority allegations of adult abuse or neglect for those who were previously known and unknown to the Department.

Funding for the APS system is spread across the following five DPW appropriations:

- General Government Operations (\$630,000),
- Information Technology (\$425,000),
- Intellectual Disabilities Community Waiver Program (\$544,000),
- Mental Health Services (\$75,000), and
- Long Term Care (\$48,000).

Additional Programs

DPW also provides funding for the following human services programs: Domestic Violence, Rape Crisis, Breast Cancer Screening, and Legal Services. The governor's 2012/13 proposed budget cuts funding for Legal Services by \$274,000, or 10 percent. The governor's budget proposal would level-fund Domestic Violence, Rape Crisis and Breast Cancer Screening.

House Appropriations Committee (D)

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