

STATEMENT OF PURPOSE

RS26378

This is the FY 2019 original appropriation and the FY 2018 supplemental appropriation bill for the Department of Health and Welfare for the divisions of Child Welfare, Services for the Developmentally Disabled, and Service Integration. For FY 2019, the bill appropriates \$115,770,100, limits the number of authorized full-time equivalent positions at 744.51, and provides for five sections of legislative intent language. For FY 2018, the bill appropriates an additional \$1,781,400, adds 9.00 full-time equivalent positions, and provides for two additional sections of legislative intent language.

For FY 2019, the bill includes the following adjustments. For benefit costs, the bill removes \$1,450 per eligible FTP to bring the annual employer contribution for health insurance down to \$11,650 by including a two-month employee and employer premium holiday, adds a 6.8% increase for life insurance, and adjusts funding for workers' compensation in amounts that vary by agency. For replacement items \$94,000 is added for items to be determined by the SWITC administrator. For statewide cost allocation \$49,200 is reduced for risk management costs. An annualization of \$481,100 is added for the nine positions added as an FY 2018 supplemental. The bill also provides funding for a 3% ongoing merit-based salary increase for permanent employees, to be distributed at the discretion of the director, and a 3% increase in the compensation schedule. For nondiscretionary adjustments the bill provides a shift of \$28,300 from federal funds to the General Fund for changes in the Medicaid match rate. The bill funds three line items. The first line item adds \$7,800,000 for the third year of the Child Welfare Information System replacement. The second line item transfers the appropriation from Medicaid for Infant Toddler Early Intervention Services. The third line item transfers 2.00 FTP and \$147,800 from SWITC to the Community Developmental Disability Services Program for the Court Services and Crisis Prevention Team.

Intent language in the bill includes three sections that are applied to all appropriation bills for the Department of Health and Welfare. These sections provide for the transfer of General Funds to the Cooperative Welfare Fund, limit transfers between spending classes, and provide for program integrity. The fourth section requires the department to provide for educational services for the children placed in its care. The fifth section directs \$1,500,000 of the Temporary Assistance for Needy Families (TANF) Grant for the Head Start Program. The sixth section of intent language requires the department to submit a plan on how it intends to improve the foster care system and directs for certain positions to be hired. The seventh section provides direction on how to allocate funds to the seven Public Health Districts for the Home Visitation Program.

FISCAL NOTE

	FTP	Gen	Ded	Fed	Total
FY 2018 Original Appropriation	739.46	37,375,800	3,363,100	66,374,300	107,113,200
Child Welfare					
5. Child Welfare Additional Staff	9.00	90,700	0	90,700	181,400
8. Home Visitation Program	0.00	1,600,000	0	0	1,600,000
FY 2018 Total Appropriation	748.46	39,066,500	3,363,100	66,465,000	108,894,600
Noncognizable Funds and Transfers	(0.95)	(58,100)	0	(135,700)	(193,800)

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FY 2018 Estimated Expenditures	747.51	39,008,400	3,363,100	66,329,300	108,700,800
Removal of Onetime Expenditures	0.00	(1,982,100)	0	(739,300)	(2,721,400)
Base Adjustments	(3.00)	0	0	0	0
FY 2019 Base	744.51	37,026,300	3,363,100	65,590,000	105,979,400
Benefit Costs	0.00	(344,100)	(7,300)	(619,000)	(970,400)
Replacement Items	0.00	82,600	0	11,400	94,000
Statewide Cost Allocation	0.00	(15,400)	0	(33,800)	(49,200)
Annualizations	0.00	240,500	0	240,600	481,100
Change in Employee Compensation	0.00	468,000	8,800	828,600	1,305,400
Nondiscretionary Adjustments	0.00	28,300	0	(28,300)	0
FY 2019 Program Maintenance	744.51	37,486,200	3,364,600	65,989,500	106,840,300
Child Welfare					
3. Child Welfare Information System Services for the Developmentally Disabled	0.00	0	3,900,000	3,900,000	7,800,000
27. Infant Toddler Early Intervention	0.00	321,100	(1,126,700)	1,935,400	1,129,800
41. Community DD Crisis Team	0.00	0	0	0	0
FY 2019 Total	744.51	37,807,300	6,137,900	71,824,900	115,770,100
Chg from FY 2018 Orig Approp	5.05	431,500	2,774,800	5,450,600	8,656,900
% Chg from FY 2018 Orig Approp.	0.7%	1.2%	82.5%	8.2%	8.1%

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