

## STILL “DOWN TO THE BONE” WITH MODEST GAINS

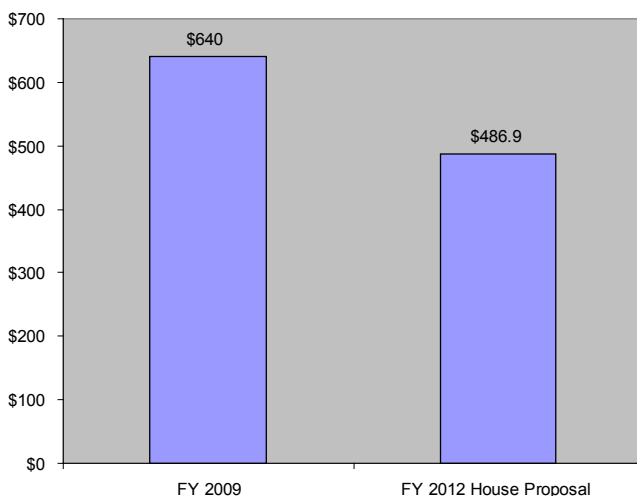
### DEEP CUTS SINCE FY 2009

The House’s proposed Department of Human Services (DHS) state budget cuts for fiscal year 2012 total \$153 million, or 23.9 percent, compared to the pre-recession FY 2009 budget. Excluding the \$7.6 million that the House added for the State Health Benefit Plan, the DHS cuts rise to \$160.7 million, or 25.1 percent, since FY 2009. Federal Recovery Act funds used to fill a portion of these cuts in FY 2010 and FY 2011 will not be available in FY 2012.

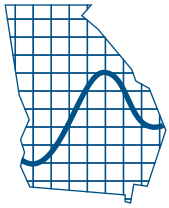
These deep cuts have had an impact on services for families reeling from the recession, abused and neglected children, and the elderly. For example,

- Fewer eligibility workers are available to help an increasing number of struggling families access Medicaid, Temporary Assistance for Needy Families (TANF) and Foods Stamps. The FY 2011 budget called for the elimination of approximately 284 eligibility workers. In 2004, the ratio was 379 cases per worker. In 2010, the cases per worker climbed to 667.
- Fewer Child Welfare Services staff (DFCS and private providers) available to keep children safe. In FY 2011, DHS was expected to cut \$2 million in personnel through layoffs, attrition and furlough days while another \$2 million was cut for private providers who serve children diverted from state custody. This private provider workload was re-directed to DFCS staff.
- Minimum levels of state funds invested to draw down federal dollars from TANF and the Older Americans Act. The consequence of not investing the required state funds in aging services could cost the state an estimated \$6 in federal funds for every \$1 of unmet state Maintenance of Effort.

**DHS’ DECREASING STATE FUND BUDGET  
(IN MILLIONS)**



All of these trends are expected to continue into FY 2012 based on the current House proposal.



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# DHS BUDGET FACTS

## BUDGET CUTS WILL IMPACT SERVICES AND DELIVERY

### KEY DIFFERENCES BETWEEN THE HOUSE AND THE GOVERNOR PROPOSAL

- Added \$7.6 million for State Health Benefit Plan. This is a pass through expense that has no impact on direct services.
- Restored \$2.8 million for aging services:
  - \$225,000 for Alzheimer's Respite Services
  - \$1,376,718 for Non-Medicaid Home and Community Based Respite Services
  - \$177,859 for the Center for the Visually Impaired
  - \$1,045,000 for Elderly Nutrition (Meals on Wheels)
- Added 400 slots to Child Care Services by re-directing funds from a \$1.4 million contract with the First Foundation (books for children enrolled in subsidized child care). This is a small step forward, considering that an estimated 10,000 less children will receive subsidized child care in FY 2012 due to the expiration of Recovery Act funds and virtually no re-investment of federal TANF funds.
- Transferred \$1.3 million from Federal Eligibility Benefit Services to the Department of Community Health for the "Express Lane" eligibility project, with the goal of making it easier for eligible children to enroll in Medicaid.
- Family Violence Services:
  - Added intent that program remain at DHS.
  - Sexual Assault Centers funded with \$655,000 in state funds, as these services may not be an allowable use of federal TANF funds.
- Added intent that Family Connection Partnership (FCP) remain an attached agency to DHS and restored \$559,680 for county collaborative contracts.

### CUTS PROPOSED BY HOUSE AND GOVERNOR

- Cut \$3.6 million for employment support activities. This hits after Recovery Act funds expired on September 30, 2010 for the adult subsidized employment program that placed 2,300 unemployed Georgians in jobs.
- Cut \$5.4 million in state funds and \$17.5 million in federal TANF funds to Out of Home Care, which is care for foster children in a foster family or group home.
- Cut \$9.8 million in federal TANF funds for Federal Eligibility Benefit Services.

**THOUGHTFUL ANALYSIS...RESPONSIBLE POLICY**

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