

FY 2013 Budget Analysis: Human Services

A Review of the Governor's Budget Report – FY 2013

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Summary

Amended FY 2012 Budget

The governor's recommendations for the Amended FY 2012 include the following for the Georgia Department of Human Services (DHS) budget:

- Provides \$4.3 million in state funds to cover administrative expenses
- Replaces \$6 million of federal TANF funds with state funds
- Replaces \$1.5 million of state funds with incentive funds in Child Support Services
- Cuts \$26.8 million in federal TANF funds from programs in DHS, Department of Behavioral Health and Developmental Disabilities, and Department of Public Health to reflect the projected loss of the TANF Supplemental Grant Federal. *See Appendix for more information.*
- Includes one-time funding of \$9.6 million for Adoption Services for a penalty from a federal audit.

FY 2013 Budget

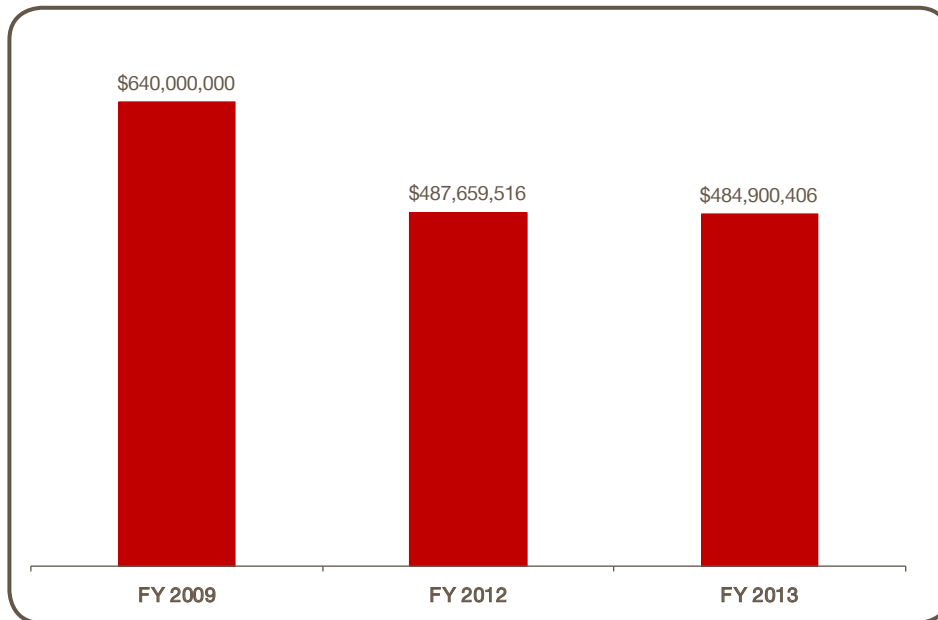
The governor's FY 2013 budget recommends \$2.8 million less in state General Funds compared to FY 2012.¹ Secondly, there are shifts in state funds for program transfers in and out of DHS to cover administrative expenses (\$11 million) and replace federal TANF funds (\$20.5 million), as shown in Table 1.

The FY 2013 budget does not include any state funds to restore the 23.8-percent cuts that DHS experienced from FY 2009 through FY 2012 (Figure 1). In addition, the projected loss of \$37.3 million in federal Temporary Assistance for Needy Families (TANF) funds will take DHS to a new low.

Table 1 DHS FY 2012 State Fund Budget Compared to FY 2013 Budget

	State Funds
FY 2012 Original DHS Budget	\$487,659,516
Child Care Services from DHS to DECAL	-\$54,234,300
Division of Rehabilitation Services from DOL to DHS	\$20,004,374
Replace Federal TANF funds	\$20,489,111
Cover Administrative Expenses	\$11,041,290
Other fund swaps	-\$59,585
FY 2013 DHS Budget	\$484,900,406

Figure 1 DHS State Fund Budget Since the Recession



Source: FY 2009 House Bill 990 (includes DHR programs that remained in the reorganization of DHS), FY 2010 House Bill 119, FY 2011 House Bill 948, FY 2012 House Bill 78 and Governor's Budget Report – FY 2013

Proposed Program Transfers

- **Division of Rehabilitation Services from Department of Labor (DOL) to DHS.** This division provides opportunities for work and personal independence for Georgians with disabilities through Vocational Rehabilitation, Roosevelt Warm Springs (rehabilitation center), Business Enterprise, Georgia Industries for the Blind, and Disability Adjudication. Total state funding is \$20 million.
- **Child Care Services from DHS to the Bright From the Start: Department of Early Care and Learning (DECAL).** Child Care Services, also known as Child Care and Parent Services (CAPS), provides subsidized child care to approximately 54,000 children per year. Total state funding is \$54 million.

TANF Supplemental Fund

In FY 2012, Georgia had \$386.3 million in available federal funds, including the TANF Block Grant (\$330.7 million), TANF Supplemental Grant (\$37.3 million) and the TANF Federal Unobligated Balance of (\$18.3 million). Note, the TANF Federal Unobligated Balance is federal TANF funds that were not spent or obligated in prior years that are carried forward into subsequent budget years.

Federal legislation that extended the TANF program through February 29, 2012 does not include the TANF Supplemental Grant. In response, the FY 2013 budget includes only \$330.7 million in available federal TANF funds (from the TANF Block Grant), a change of \$55.6 million from FY 2012. The governor replaces \$20.5 million of the cut federal TANF funds with state funds. *See Appendix for more information.*

Unless Congress restores the TANF Supplemental Fund, DHS will likely cut more staff and services for abused and neglected children and poor families.

Department of Human Services (DHS)

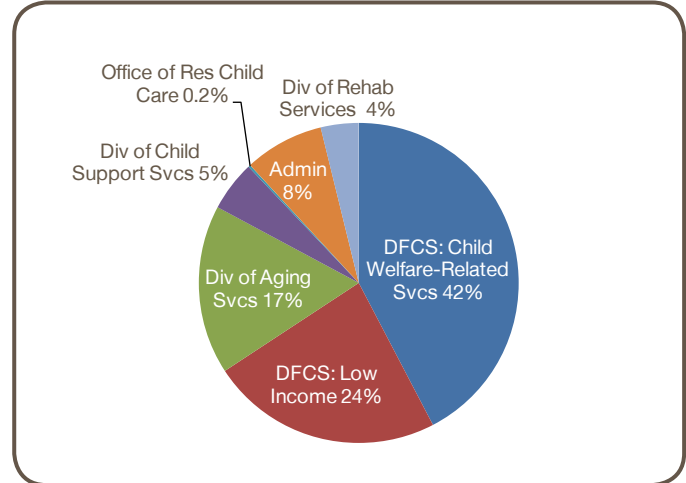
To better understand the budget, this overview provides information about each DHS division and office – including the services they provide and overall budget trends.

The mission of DHS is to provide Georgia with “customer-focused human services that promote child and adult protection, child welfare, stronger families and self-sufficiency”.² DHS is organized as follows:

- Division of Family and Children Services (DFCS) with major service areas:
 - Child welfare-related services
 - Low income supports
- Division of Aging Services (DAS)
- Division of Child Support Services (DCSS)
- Office of Residential Child Care (ORCC)
- (FY 2013 Transfer) Division of Rehabilitation Services from the Department of Labor

For FY 2013, the governor proposes distributing state funds among DHS divisions, office and administration as shown in Figure 2.

Figure 2 Allocation of DHS FY 2013 State Fund Budget



Source: State Funds, Governor’s Budget Report-FY 2013

Division of Family and Children Services

The Division of Family and Children Services (DFCS) provides services in two major areas – child welfare-related services and low income supports. DFCS accounts for two-thirds of the DHS state fund budget (including the Division of Rehabilitation Services).

Child Welfare-Related Services

These services include a range of programs to protect children and strengthen families. The programs:

- Investigate allegations of child abuse, abandonment, and neglect.
- Provide services to families whose children are diverted from state custody but are considered at risk of abuse and neglect.
- Provide safe and appropriate temporary homes for children removed from their families due to abuse, abandonment, or neglect.
- Provide safe shelter and related services for victims of family violence and their dependent children, and provide education about family violence to communities across the state.
- Support and facilitate permanently placing children by prescreening families as well as providing support and financial services after adoption.

The FY 2013 budget adds \$20.2 million state funds to cover administrative expenses or replace federal TANF funds. No state funds were added to restore cuts taken since FY 2009. From FY 2009 to FY 2013 state funds for child welfare-related services decreased by \$70 million (25.4 percent). However, total state and federal Temporary Assistance for Needy Families (TANF) funds decreased by 19.1 percent (Table 2).

Table 2 Welfare Related-Services State Fund Changes, FY 2009 - FY 2013

	FY 2009 Original Budget	FY 2012 Original Budget	FY 2013 Governor's Budget	FY 2012 - FY 2013 Change (\$)	FY 2012 - FY 2013 Change (%)	FY 2009 - FY 2013 Change (\$)	FY 2009 - FY 2013 Change (%)
Adoption Services	\$35,568,642	\$34,059,119	\$34,257,279	\$198,160	0.6%	-\$1,311,363	-3.7%
Child Welfare Services	\$117,613,541	\$89,712,644	\$91,432,618	\$1,719,974	1.9%	-\$26,180,923	-22.3%
Family Violence Services	\$6,151,950	\$1,655,000	\$11,502,450	\$9,847,450	595%	\$5,350,500	87%
Out-of-Home Care	\$115,871,866	\$59,577,370	\$68,045,630	\$8,468,260	14.2%	-\$47,826,236	-41.3%
Subtotal	\$275,205,999	\$185,004,133	\$205,237,977	\$20,233,844	10.9%	-\$69,968,022	-25.4%
Subtotal with TANF	\$486,649,060	\$400,479,562	\$393,763,819	-\$6,715,743	-1.7%	-\$92,885,241	-19.1%

Budget Highlights

- Child Welfare Services
 - Adds \$1.7 million to cover administrative expenses (e.g., \$1.5 million to cover the employer share of the Employees' Retirement System).
 - Cuts \$8.2 million of federal TANF funds due to the projected loss of the federal TANF Supplemental Grant. The FY 2013 budget recommendations do not explain how this cut will impact to DFCS staff or services.
- Family Violence Services
 - Replaces \$9.8 million in federal TANF funds with state funds. Domestic violence shelters can use state funds to leverage federal funds from other sources and are less restrictive than federal TANF Funds. For example, federal TANF cannot be used to serve women without children.
- Out-of-Home Care
 - Faces a net cut of \$1.6 million to services.
 - Provides \$8.5 million, including \$3.9 million for "an increase in Out-of-Home Care utilization" and \$4.4 million to replace TANF funds with state funds.
 - Cuts \$10.1 million in federal TANF funds due to the projected loss of the federal TANF Supplemental Grant.

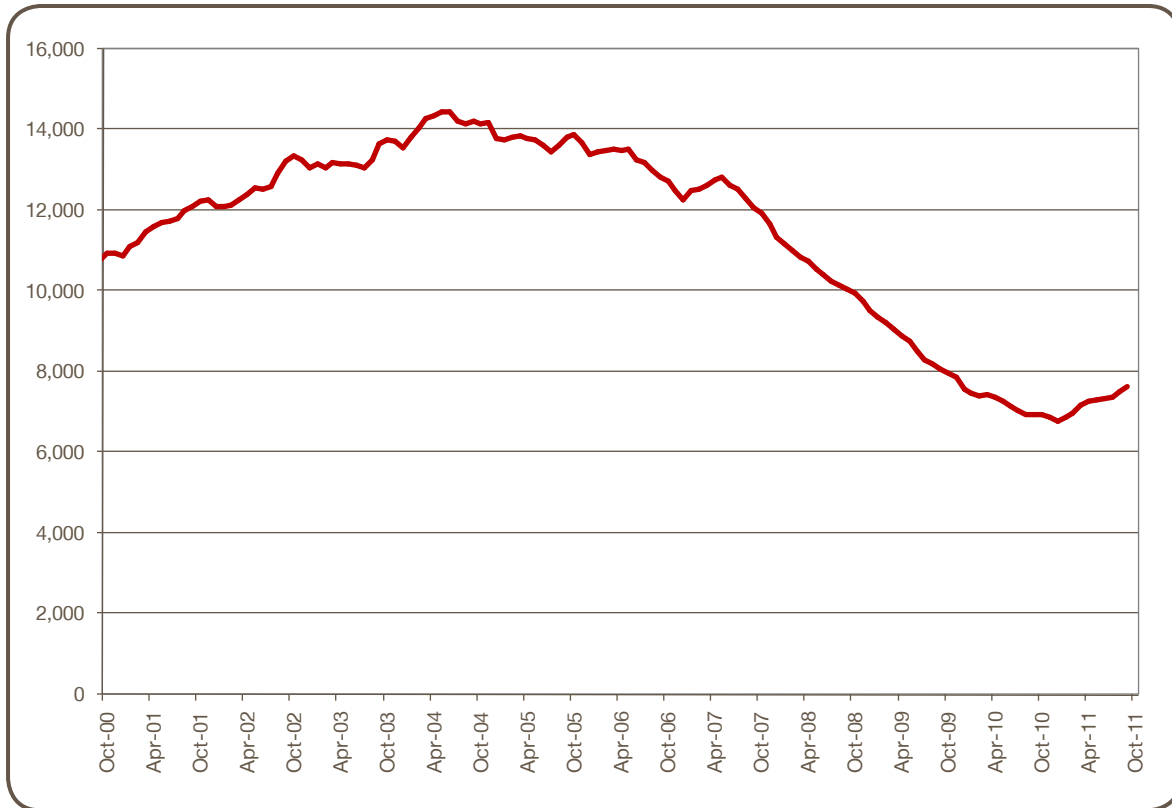
Recent Trends

- **Replace state funding cuts with federal funds.** Since FY 2009, Georgia has directed 55 to 60 percent of its federal TANF funds to child-welfare related services to backfill for state fund cuts. The FY 2013 budget, with less available federal TANF funds, slightly reverses this trend by replacing TANF funds with state funds in some programs, such as Out-of-Home Care. Even with this small state reinvestment, child-welfare related services will likely still account for the majority of federal TANF funds in FY 2013.
- **Furlough days.** DFCS staff endured three years of furlough days, which ended December 2011. Furlough days are not proposed in FY 2013, however there is no explanation given on how cuts to federal TANF funds will be implemented.

Outlook and Policy Considerations

- **The number of children in foster care is on the rise** (Figure 3).
 - In 2004, more than 14,000 children were in foster care.
 - In 2010, after steady decline, the number of children in care dropped to a low of 6,800 children.
 - The numbers are climbing again. Starting in January 2011, there has been a steady increase in the number of children in foster care. If this trend continues Georgia could see 9,600 children in care by June 2012.

Figure 3 Georgia Children in Foster Care (Last Day of the Month)



Source: Georgia DFCS, FFY 2011 Federal Adoption and Foster Care Analysis and Reporting System submission to Foster Court Improvement

“The FY2012 budget was built based on projected continued decline in caseloads. As of January 2011, began to see modest growth in caseloads. If caseloads stay constant or growth continues we will have to seek additional funding.” Lynn Vellinga, DHS CFO, DHS Board Meeting Presentation, August 17, 2011.³

- **Georgia is still required to seek compliance with a federal court consent decree.** Georgia’s child welfare system must continue to seek compliance with the 2005 Kenny A federal court consent decree from a class action lawsuit filed on behalf of children in foster care in Fulton and DeKalb counties.

To exit the consent decree, Georgia must meet 31 specific outcome measures for three consecutive 6-month periods. These outcomes are included in the following areas: (1) planning for permanency; (2) placement of children; (3) health services; (4) Statewide Automated Child Welfare Information System (SACWIS); (5) caseloads; (6) supervision of contract agencies; (7) training; (8) foster parent screening, licensing and training; (9) investigations of allegations of abuse in care; (10) corrective actions that must be taken immediately; (11) maximization of federal funding.⁴

It is unclear how much funding will be required to reach compliance.

Low-Income Family Supports

The supports to low-income Georgia families include:

- Subsidized child care.
- State and federal cash assistance and support services (e.g., healthcare, food stamps, TANF, energy assistance).

Excluding Child Care Services, from FY 2009 to FY 2013 state funds for DFCS low-income supports decreased by \$6.2 million (5.6 percent), as shown in Table 3. The only state funds added in the past two budget years have been to cover administrative expenses, \$6.6 million in FY 2012 and \$4.5 million in FY 2013.

Table 3 Income Family Supports: State Fund Changes, FY 2009 - FY 2013

	FY 2009 Original Budget	FY 2012 Original Budget	FY 2013 Governor's Budget	FY 2012 – FY 2013 Change (\$)	FY 2012 – FY 2013 Change (%)	FY 2009 – FY 2013 Change (\$)	FY 2009 – FY 2013 Change (%)
Child Care Services	\$58,577,959	\$54,234,300	\$0	-\$54,234,300	-100%	-\$58,577,959	-100%
Federal Eligibility Benefit Services	\$102,925,768	\$99,903,637	\$104,423,412	\$4,519,775	4.5%	\$1,497,644	1.5%
Support for Needy Families – Basic Asst	\$100,000	\$100,000	\$100,000	\$0	0%	\$0	0%
Support for Needy Families – Work Asst	\$7,695,000	\$0	\$0	\$0	NA	-\$7,695,000	-100%
Subtotal	\$169,298,727	\$154,237,937	\$104,523,412	-\$49,714,525	-32.2%	-\$64,775,315	-38.3%
Subtotal without Child Care Services	\$110,720,768	\$100,003,637	\$104,523,412	\$4,519,775	4.5%	-\$6,197,356	-5.6%

Budget Highlights

- Child Care Services – The FY 2013 budget transfers the state subsidized child care program, Child Care and Parent Services (CAPS), to the Department of Early Care and Learning (DECAL), starting July 1, 2012. DECAL already includes all other child-care-related services (Head Start, Early Head Start, Pre-K, and the Child Care Food Program). This transfer would consolidate child care licensing, quality initiatives, referrals, and subsidies. DECAL would monitor all child care providers, provide a one-stop for parents seeking child care services, and give informal providers access to training and technical assistance.

In the FY 2013 budget there are no changes to state funds, however, it eliminates the remaining \$600,000 in federal TANF funds. Federal TANF funds dropped from \$12.1 million in FY 2009 to \$600,000 by FY 2012. At the FY 2013 budget funding level, approximately 54,000 children will be served compared to nearly 70,000 served in FY 2011 (when Recovery Act funds were added to the program).⁵

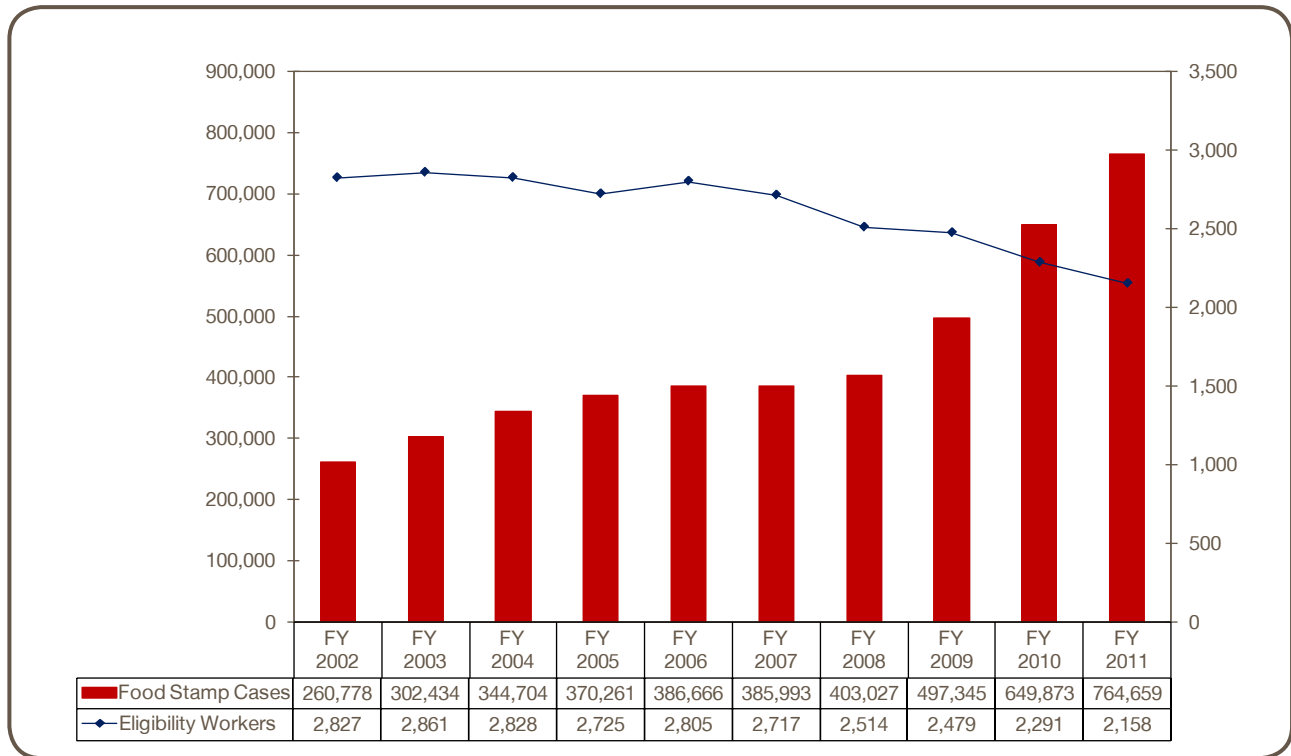
- Federal Eligibility Benefit Services – Adds \$4.5 million to cover administrative expenses (e.g., Employees' Retirement System and State Health Benefit Plan). No additional funding is provided for federal eligibility workers who continue to assist an increasing number of eligible Georgia families to access TANF, Medicaid and food stamps.
- Georgia Family Connection Partnership (GaFCP) – Replaces all federal TANF funds (\$1.2 million) with state funds. Cuts nearly \$140,000 in state funding for county contracts to a nonprofit organization that works in all 159 counties with collaborative organizations that consists of partners from government, civic groups, businesses, faith communities, and other interested parties to improve outcomes for children.

Recent Trends

The number of eligibility workers has decreased over the past five years from 2,717 workers in FY 2007 to 2,158 workers in FY 2011 (Figure 4). The state fund increase in FY 2012 (\$6.6 million) covered administrative expenses and \$9.8 million in federal TANF funds were cut. The FY 2013 budget does not include funds to replace lost eligibility workers.

Food stamp cases continue to grow at a record pace while Georgia still faces high unemployment and stagnant wages. Yet there are less and less eligibility workers to assist eligible Georgians in accessing food stamps, TANF and Medicaid.

Figure 4 Food Stamp Recipients Increase as Eligibility Workers Decrease



Source: DHS Board Meeting Presentations on November 2010 and August 2011.⁶

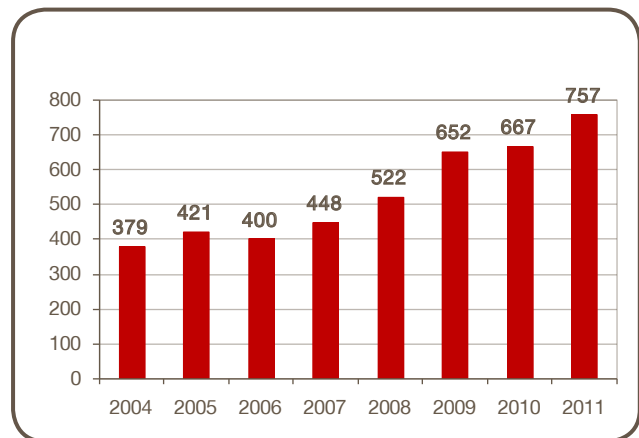
Outlook and Policy Considerations

Can DHS help increasing numbers of Georgians gain access to Medicaid, Food Stamps, and TANF with less eligibility workers?

Less eligibility workers are serving increasing numbers of Georgia families, many of whom are applying for the first time. In 2004, the caseload ration was 379 cases per worker. The ratio was 757 per worker in 2011⁷ (Figure 5).

DHS has automated the food stamp application which has likely provided some efficiencies in eligibility workforce. However, TANF and Medicaid applications are not available on-line and food stamp and Medicaid caseloads are still growing.

Figure 5 Cases Per Eligibility Worker



Source: Commissioner Reese, DHS Presentation to Joint Appropriations Committee

Division of Aging Services

These services for older Georgians include:

- Prevention from and investigation of abuse, exploitation, and neglect.
- Supports for those who need a nursing-home level of care but choose to remain in one's community.
- Health, employment, nutrition, and other support and education services for many elderly who remain in their own home.

From FY 2009 to FY 2013 state funds for aging services decreased by \$8.9 million (9.7 percent), as shown in Table 4.

Table 4 Division of Aging Services: State Fund Changes, FY 2009 - FY 2013

	FY 2009 Original Budget	FY 2012 Original Budget	FY 2013 Governor's Budget	FY 2012 – FY 2013 Change (\$)	FY 2012 – FY 2013 Change (%)	FY 2009 – FY 2013 Change (\$)	FY 2009 – FY 2013 Change (%)
Elder Abuse Investigations & Prevention	\$14,577,451	12,287,841	14,212,422	\$1,924,581	15.7%	-\$365,029	-2.5%
Elder Community Living Services	\$74,875,441	66,401,043	66,713,041	\$311,998	0.5%	-\$8,162,400	-10.9%
Elder Support Services	\$2,059,156	1,729,095	1,736,320	\$7,225	0.4%	-\$322,836	-15.7%
Council on Aging	\$252,352	198,052	201,166	\$3,114	1.6%	-\$51,186	-20.3%
SubTotal	\$91,764,400	80,616,031	82,862,949	\$2,246,918	2.8%	-\$8,901,451	-9.7%

Budget Highlights

- Elder Abuse Investigations & Prevention – Replaced Nursing Home Civil Monetary Penalties (CMP) collected by the Department of Community Health with state funds (\$1.6 million) for the Long Term Care Ombudsman Program and Adult Protective Services. In FY 2011 and FY 2012, CMP funds were used to replace state funds in these programs. A recent ruling by the Centers for Medicare & Medicaid Services said this was an impermissible use of CMP funds.
- All other state funds added to the Division of Aging (\$635,000) are used to cover administrative expenses.⁸

Recent Trends

- **Reduced state funds to the minimum required to receive federal funds.** State funds remain at the minimum required level to receive federal funds under the Older Americans Act. The consequence of noncompliance could be an estimated \$6 loss in federal funds for every \$1 of unmet state and local required funds – a risk Georgia should continue to avoid.

Division of Child Support

This division helps children by enforcing parental responsibility to pay financial support, including:

- Assistance with locating non-custodial parents, confirming paternity, establishing and enforcing child support and medical support orders, and collecting and distributing payments.
- Georgia Fatherhood Services Network and the Access and Visitation Program, both of which seek to increase non-custodial parent involvement in a child's life.⁹

Funding for Child Support Services remains stable from FY 2012 to FY 2013. From FY 2009 to FY 2013 state funds for child support services decreased by approximately \$350,000 (-1.4 percent), as shown in Table 5.

Table 5 Division of Child Support Services: State Fund Changes, FY 2009 - FY 2013

	FY 2009 Original Budget	FY 2012 Original Budget	FY 2013 Governor's Budget	FY 2012 – FY 2013 Change (\$)	FY 2012 – FY 2013 Change (%)	FY 2009 – FY 2013 Change (\$)	FY 2009 – FY 2013 Change (%)
Child Support Services	\$24,963,922	\$25,142,438	\$24,606,037	-\$536,401	-2.1%	-\$357,885	-1.4%

Budget Highlights

- Replace \$1.5 million in state funds with incentive funds.
- Add approximately \$470,000 to cover administrative expenses.

Office of Residential Child Care

This office monitors, inspects and licenses foster care residential facilities, child-placing agencies, and healthcare facilities.

In FY 2013, the governor replaces \$1.1 million in federal TANF funds with state funds (Table 6). This reverses the recent trend of backfilling state funds with federal TANF funds. Between FY 2011 and FY 2012, \$1.7 million in state funds were replaced with federal TANF funds.

Table 6 Office of Residential Child Care: State Fund Changes, FY 2009 - FY 2013

	FY 2009 Original Budget	FY 2012 Original Budget	FY 2013 Governor's Budget	FY 2012 – FY 2013 Change (\$)	FY 2012 – FY 2013 Change (%)	FY 2009 – FY 2013 Change (\$)	FY 2009 – FY 2013 Change (%)
Child Care Licensing	\$8,759,268	\$0	\$1,096,931	\$1,096,931	NA	-\$7,662,337	-87.5%
With TANF	\$8,759,268	\$2,193,862	\$1,555,448	-\$638,414	-29.1%	-\$7,203,820	-82.2%

Division of Rehabilitation Services

The Division of Rehabilitation Services, which is currently housed in the Georgia Department of Labor (DOL), provides opportunities for work and personal independence for people with disabilities. The division operates five integrated and interdependent programs, including:

- Vocational Rehabilitation Program, which helps people with disabilities prepare for, start, and maintain competitive employment.
- Roosevelt Warm Springs Institution, a comprehensive care and rehabilitation center, that seeks to improve functional independence, self-sufficiency, quality of life and employability.
- Business Enterprise – help people who are blind go to work.
- Georgia Industries for the Blind, which employs people who are blind in manufacturing and packaging facilities in Bainbridge and Griffin.
- Disability Adjudication Section – efficiently process applications for federal disability programs so that eligible Georgians can obtain support. This program is entirely funded by federal funds.¹⁰

The FY 2013 budget, transfers the Division of Rehabilitation Services from DOL to DHS. The FY 2013 budget is relatively stable compared to the FY 2012 budget. However, from FY 2009 to FY 2013 state funds for rehabilitation services were cut by \$7.7 million (29.2 percent), as shown in Table 7.

Table 7 Division of Rehabilitation Services: State Fund Changes, FY 2009 - FY 2013

	FY 2009 Original Budget	FY 2012 Original Budget	FY 2013 Governor's Budget	FY 2012 – FY 2013 Change (\$)	FY 2012 – FY 2013 Change (%)	FY 2009 – FY 2013 Change (\$)	FY 2009 – FY 2013 Change (%)
Business Enterprise Program	\$444,108	\$290,261	\$267,655	-\$22,606	-7.8%	-\$176,453	-39.7%
Georgia Industries for the Blind	\$452,913	\$0	\$0	\$0	NA	-\$452,913	-100%
Roosevelt Warm Springs Institute	\$7,339,734	\$5,349,131	\$5,484,053	\$134,922	2.5%	-\$1,855,681	-25.3%
Vocational Rehabilitation	\$18,029,477	\$13,227,143	\$12,851,140	-\$376,003	-2.8%	-\$5,178,337	-28.7%
Subtotal	\$26,266,232	\$18,866,535	\$18,602,848	-\$263,687	-1.4%	-\$7,663,384	-29.2%

APPENDIX - TANF Supplemental Grant

As Congress finalizes the extension of the TANF program for the remainder of FFY 2012 (ending September 30, 2012), it can restore the TANF Supplemental Grant.

Federal TANF Allocation to Georgia

The TANF federal allocation, which states receive each federal fiscal year (October – September) has several components. For Georgia, the relevant components are the TANF Federal Block Grant and the TANF Supplemental Grant. Congress created the TANF Supplemental Grant to provide additional funds to 17 states including Georgia that might have been disadvantaged by the block grant formula.

In Federal Fiscal Year (FFY) 2011, Congress did not fully fund the TANF Supplemental Grant for the first time. Georgia received \$12.7 million less, which Department of Human Services (DHS) replaced with surplus federal TANF funds. For FFY 2012, federal legislation that extends the TANF program (through February 29, 2012) does not include the TANF Supplemental Grant (Table 1).

Table 1 Federal TANF Funds Allocated to Georgia

TANF Federal Funds	FFY 2010	FFY 2011	FFY 2012
TANF Block Grant	\$330.7 million	\$330.7 million	\$330.7 million
TANF Supplemental Grant	\$37.3 million	\$24.6 million	\$0 (estimate)
Total	\$368 million	\$354.3 million	\$330.7 million

Source: Center on Budget and Policy Priorities

Federal TANF Funds in Georgia's FY 2012 and FY 2013 Budgets

In FY 2012, Georgia had \$386.3 million in available federal funds, including the TANF Block Grant (\$330.7 million), TANF Supplemental Grant (\$37.3 million) and the TANF Federal Unobligated Balance of (\$18.3 million). Note, the TANF Federal Unobligated Balance is federal TANF funds that were not spent or obligated in prior years that are carried forward into subsequent budget years.

The governor's FY 2013 budget report plans for only \$330.7 million available federal TANF funds (from the TANF Block Grant), a change of \$55.6 million from FY 2012 (Table 2).

Table 2 Federal TANF Funds in Georgia's State Budget

TANF Federal Funds	FY 2012	FY 2013
TANF Block Grant	\$330.7 million	\$330.7 million
TANF Supplemental Grant	\$37.3 million	\$0
TANF Federal Unobligated Balance	\$18.3 million	\$0
Total	\$386.3 million	\$330.7 million

Source: FY 2012 House Bill 78 and Governor's Budget Report – FY 2013

The \$55.6 million in federal TANF fund cuts are shown in Table 3. For FY 2013, \$20.5 million in state funds replace cut federal TANF funds as follows:

- \$9.8 million for Family Violence Services
- \$8.3 million for Out of Home Care
- \$1.1 million for Child Care Licensing
- \$1.2 million for Family Connection Partnership

Table 3 Federal TANF Fund Cuts, Amended FY 2012 and FY 2013

	AFY 2012	FY 2013
Department of Human Services		
Adoption Services	\$1,400,000	\$1,400,000
Child Care Services	-\$600,000	-\$600,000
Child Care Licensing	-\$1,735,345	-\$1,735,345
Child Welfare Services	-\$10,523,020	-\$8,195,915
Family Violence Services	-\$1,001,544	-\$10,048,415
Out of Home Care	-\$5,657,099	-\$10,105,257
Support for Needy Families-Basic Asst	-\$1,018,054	-\$1,018,054
Support for Needy Families-Work Asst	-\$33,000	-\$33,000
Family Connection Partnership	-\$1,200,000	-\$1,200,000
DHS Subtotal	-\$20,368,062	-\$31,535,986
Department of Behavioral Health and Dev Disab		
Adult Addictive Diseases	-\$2,223,028	-\$8,561,768
Adult Developmental Disabilities	-\$411,234	-\$411,234
DBHDD Subtotal	-\$2,634,262	-\$8,973,002
Department of Public Health		
Adolescent and Adult Health Promotion	-\$1,810,000	-\$3,525,830
Infant and Child Health Promotion	-\$2,000,000	-\$2,800,000
DPH Subtotal	-\$3,810,000	-\$6,325,830
Federal TANF Cuts	-\$26,812,324	-\$46,834,818
Federal Unobligated Balance	-\$8,705,939	-\$8,705,939
Total Cut Federal Funds	-\$35,518,263	-\$55,540,757
TANF Funds Replaced by State Funds	\$5,994,552	\$20,489,111

Source: FY 2012 House Bill 78 and Governor's Budget Report – FY 2013¹¹

Loss of federal TANF funds will cut critical services to some of Georgia's most vulnerable populations, such as:

- Out of Home Care, which serves children in foster care, faces a net program cut of \$1.6 million while the number of children in foster care is on the rise.
- Child Welfare Services faces a cut of \$8.2 million while DHS seeks compliance with the federal Kenny A. Consent Decree and as DHS seeks to implement a Differential Response Model to improve case manager decision-making in assessing the safety of children reported to be abused or neglected.
- Adult Addictive Disease Services' loss of \$8.6 million would potentially close outpatient facilities and significantly cut capacity for residential facilities and transitional housing. The addiction treatment programs operated through TANF Supplemental funding serve women with children to reduce barriers to employment and housing, such as therapeutic childcare, drug screening, parenting classes and life-skill courses. These programs are consistent with recommendations from the the Special Council on Criminal Justice Reform for Georgians, for Georgia to expand access to effective substance abuse treatment and programming options in communities around the state.

Endnotes

¹Unless otherwise noted data from the Governor's Budget Report-FY 2013 (available at http://opb.georgia.gov/vgn/images/portal/cit_1210/23/26/180289834State%20of%20Georgia%20Budget%20Report%20FY%202013%20-%20Jan%2011%20A.pdf) data from FY 2012 budget from House Bill 78, from FY 2011 budget from House Bill 948, from FY 2010 budget from House Bill 119, and from FY 2009 from House Bill 990.

²Georgia DHS website, <http://www.dhr.state.ga.us/portal/site/DHS/>

³Lynn Vellinga, DHS CFO, DHS Board Meeting Presentation, August 17, 2011. Available at http://dhs.georgia.gov/DHR/DHR_CommonFiles/DHSBoardAug242011.ppt

⁴Overview of Kenny A. v. Perdue. Available at Overview of Kenny A. v. Perdue. Available at http://bartoncenter.net/kennya/kenny_a_case_overview_20060718.html

⁵Number of children served in subsidized childcare (average per month) in FY 2011 is 69,823 children per the governor FY 2013 budget proposal.

⁶FY 2011 eligibility workers was calculated as an average using monthly eligibility worker data for FY 2011 provided by DHS in January, 2012. FY 2011 food stamp cases was calculated as an average based on the monthly food stamp cases included in the August 2011 DHS Board presentation.

⁷Joint Appropriations Committee Presentation, Commissioner Clyde L. Reese, III, Esq., January 2012. Available at http://dhs.georgia.gov/DHR/DHR_CommonFiles/PDF/Appropriations_Committee_Presentation.pdf

⁸Letter from Centers for Medicare & Medicaid Services [http://www.pioneernetwork.net/Data/Documents/Use%20of%20Civil%20Money%20Penalty%20\(CMP\)%20Funds%20by%20States.pdf](http://www.pioneernetwork.net/Data/Documents/Use%20of%20Civil%20Money%20Penalty%20(CMP)%20Funds%20by%20States.pdf).

⁹Division of Child Support website, <http://ocss.dhs.georgia.gov/portal/site/DHS-OCSE/>

¹⁰Division of Rehabilitation Services website, <http://www.vocrehabga.org/>

¹¹DHS has a commitment to implement Differential Response, per the Annual Progress and Service Report/IV-B State Plan. Joint Appropriations Committee Presentation, Commissioner Clyde L. Reese, III, Esq., January 2012. Available at http://dhs.georgia.gov/DHR/DHR_CommonFiles/PDF/Appropriations_Committee_Presentation.pdf

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