

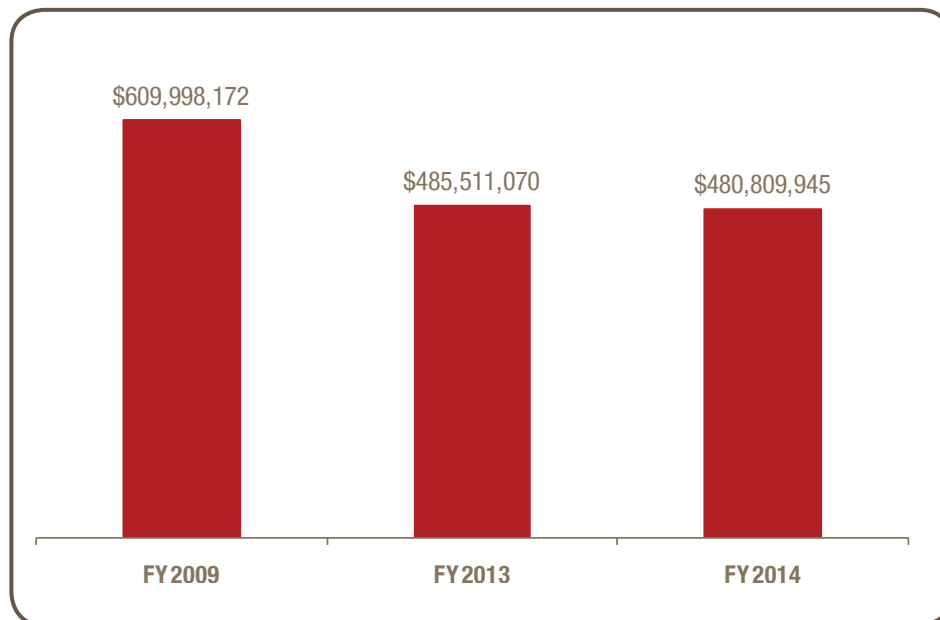
Overview: Georgia's 2014 Fiscal Year Human Services State Spending Cuts Borne Most Heavily by Most Vulnerable

By Melissa Johnson, Policy Analyst

The governor's budget proposals for the next 17 months do not meet the growing needs of Georgia's most vulnerable children and adults. In some cases they place them even more at risk. The state's spending plans will make it more difficult for the Department of Human Services (DHS) to fulfill its mission of protecting and supporting children, low-income families and the elderly.

If the governor's budget for the 2014 fiscal year is adopted, it will result in 21.2 percent cuts to the DHS budget since the 2009 fiscal year (Figure 1). Since 2009 the demand for social services increased, yet no additional money has been budgeted to improve service delivery; to the contrary, the governor's budget proposals recommend still more cuts to services for the most vulnerable.

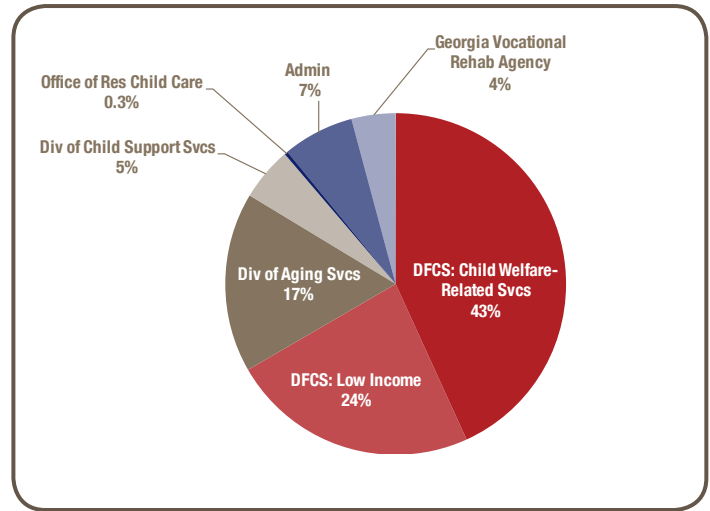
Figure 1 Department of Human Services Funding Cut 21.2 Percent Since 2009



Source: FY 2009 House Bill 990 (includes DHR programs that remained in the reorganization of DHS), FY 2013 House Bill 742 and Governor's Budget Report FY 2014

All of the areas of service provided by DHS are suffering from the cumulative effects of cuts since the 2009 fiscal year. In the governor's proposed 2014 budget, state funds are distributed among these services for the most vulnerable children and adults as shown in Figure 2.

**Figure 2 Department of Human Services
\$480.8 Million 2014 Budget**



Source: State Funds, Governor's Budget Report-FY 2014

Child Welfare Budget Not Keeping Pace with Growing Needs

State funds for the largest portion of the human services budget – child welfare-related services – have been cut by \$67.7 million, or 24.6 percent, from 2009 to 2014. The governor's 2014 child welfare spending plan adds a net \$1.4 million in state funds to cover the employer share of the Employees' Retirement System. No state funds were added to restore cuts taken since the 2009 fiscal year (Table 1).¹

Table 1 Child Welfare Related-Services Cut 24.6 Percent Since 2009

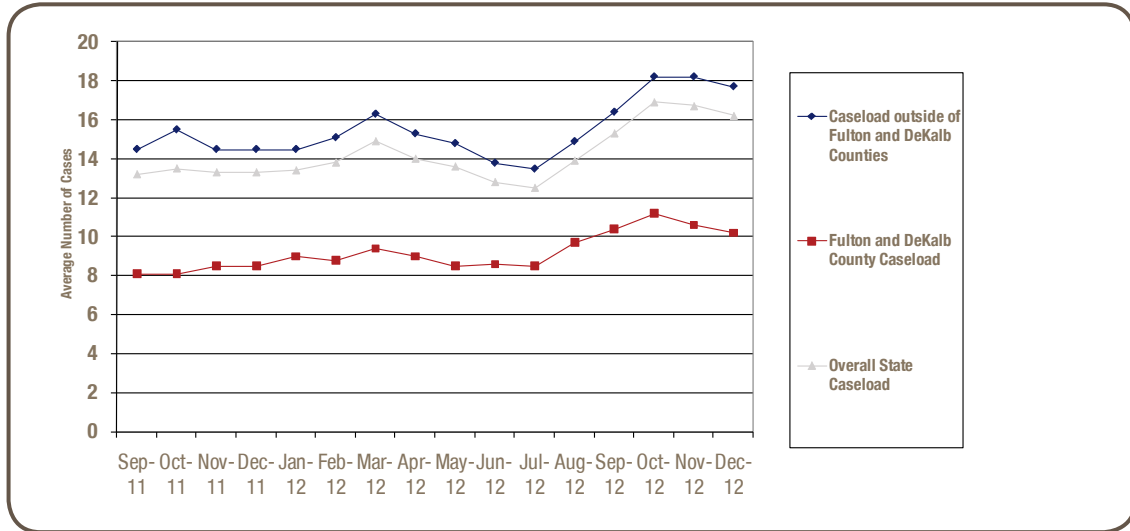
	FY 2009 Original Budget	FY 2013 Original Budget	FY 2014 Governor's Budget	FY 2013 - FY 2014 Change (\$)	FY 2013 - FY 2014 Change (%)	FY 2009 - FY 2014 Change (\$)	FY 2009 - FY 2014 Change (%)
Adoption Services	\$35,568,642	\$34,257,279	\$34,230,598	(\$26,681)	(0.1%)	(\$1,338,044)	(3.8%)
Child Welfare Services	\$117,613,541	\$92,366,911	\$93,972,766	\$1,605,855	1.7%	(\$23,640,775)	(20.1%)
Family Violence Services	\$6,151,950	\$11,802,450	\$11,802,450	\$0	0%	\$5,650,500	91.8%
Out-of-Home Care	\$115,871,866	\$67,637,113	\$67,521,764	(\$115,349)	(0.2%)	(\$48,350,102)	(41.7%)
Subtotal	\$275,205,999	\$206,063,753	\$207,527,578	\$1,463,825	0.7%	(\$67,678,421)	(24.6%)
Subtotal with TANF	\$486,649,060	\$395,048,112	\$396,511,937	\$1,463,825	0.4%	(\$90,137,123)	(18.5%)

Source: FY 2009 House Bill 990, FY 2013 House Bill 742, and Governor Budget Report – FY 2014

Caseloads for Child Welfare Workers Increase While Current Budget Stagnates

At the same time that child welfare staffers cope with the cumulative effects of cuts since 2009, the demand for their services has been increasing. The caseload for child welfare workers escalated over the past 15 months, yet no funds are added in this year's budget to hire additional caseworkers (Figure 3). These caseworkers are usually a child's first line of defense against abuse, abandonment, and neglect.

Figure 3 Caseloads for Child Welfare Workers Increase



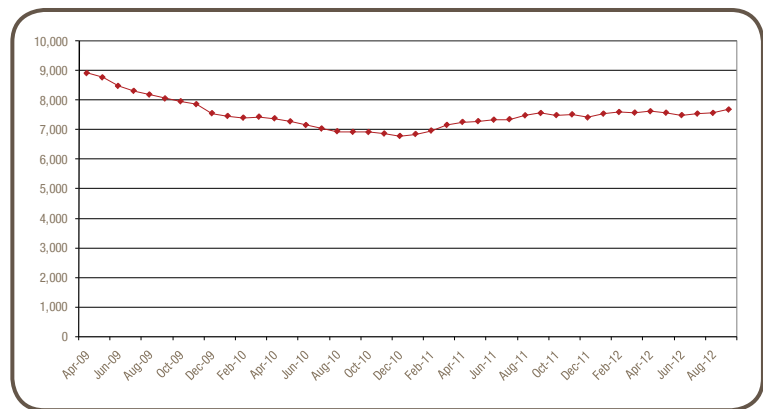
Source: DHS Appropriations Presentation, January 2013²

Caseloads for workers covering Fulton and DeKalb counties are lower due to a federal court consent decree resulting from a class action lawsuit filed on behalf of children in foster care in those counties. Known as the Kenny A consent agreement, it mandates caseloads be kept below a certain threshold in Fulton and DeKalb. That agreement also places a higher burden on caseworkers covering Georgia counties outside of Fulton and DeKalb. To exit the 2006 consent decree, Georgia must meet 31 specific outcome measures for three consecutive six-month periods.

Number of Children in Foster Care Rises, but Financial Support Lags

Not only is the caseload for child welfare workers increasing, the number of children in foster care rose steadily since the beginning of 2011. (Figure 4) In fact, DHS requested an additional \$5 million for the 2014 fiscal year to accommodate a “workload increase for continued growth” in out-of-home care. This request is omitted from the governor’s budget, which means fewer resources are available to a growing number of children removed from their homes for 24 hours or more.

Figure 4 Children in Foster Care Increasing Again



Source: Georgia Department of Family and Children Services, FY 2012 Federal Adoption and Foster Care Analysis and Reporting System submission to Foster Court Improvement

Foster Care Children More at Risk With Cuts to Housing Inspections

While the number of children in foster care is rising, the budget for the department that inspects and licenses foster care residential facilities, child-placing agencies and healthcare facilities is cut slightly in the governor’s revised 2013 budget and the proposed 2014 budget. In both years, \$47,000 is removed from the budget to cut a vacant surveyor position, which may delay facility inspections and investigations. Between the 2009 and 2014 fiscal years, the budget for this office took a big hit, with state funding cuts of \$7.2 million, or 82.4 percent (Table 2).

Table 2 Office of Residential Child Care Cut Again in 2014 Budget³

	FY 2009 Original Budget	FY 2013 Original Budget	FY 2014 Governor's Budget	FY 2013 – FY 2014 Change (\$)	FY 2013 – FY 2014 Change (%)	FY 2009 – FY 2014 Change (\$)	FY 2009 – FY 2014 Change (%)
Child Care Licensing	\$8,759,268	\$1,581,992	\$1,542,554	(\$39,438)	(2.5%)	(\$7,216,714)	(82.4%)

Source: FY 2009 House Bill 990, FY 2013 House Bill 742, and Governor Budget Report – FY 2014

■ Demand Increases, Support Drops for Low-Income Families

The second-largest portion of the overall human services budget is also unresponsive to increased needs. From 2009 to the proposed 2014 budget year, state funds for low-income family supports decrease by \$6.3 million, or 5.7 percent, as shown in Table 3. These low-income family supports include Temporary Assistance for Needy Families (TANF), work assistance and eligibility workers. The workers help Georgia families access TANF, food stamps, and Medicaid. The only state funds added to the low-income support services budget in the past three budget years cover administrative expenses, not additional services.

Table 3 Low-Income Supports (Excluding Child Care) Cut 5.7 Percent From 2009 Level

	FY 2009 Original Budget	FY 2013 Original Budget	FY 2014 Governor's Budget	FY 2013 – FY 2014 Change (\$)	FY 2013 – FY 2014 Change (%)	FY 2009 – FY 2014 Change (\$)	FY 2009 – FY 2014 Change (%)
Federal Eligibility Benefit Services	\$102,925,768	\$103,489,119	\$104,285,965	\$796,846	0.8%	\$1,360,197	1.3%
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	0%	(\$7,695,000)	-100%
Subtotal	\$110,720,768	\$103,589,119	\$104,385,965	\$796,846	0.8%	(\$6,334,803)	(5.7%)

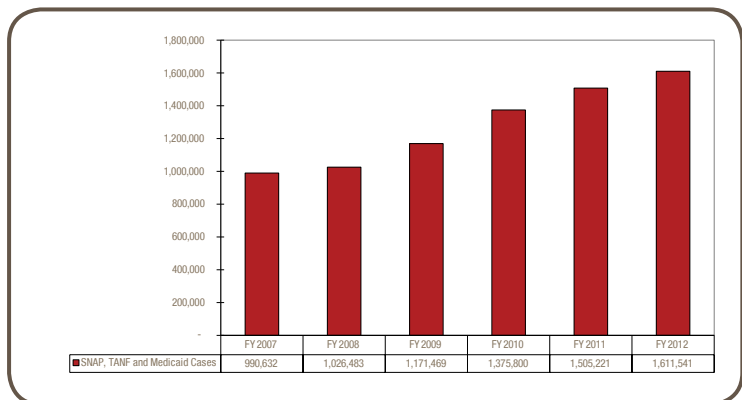
Source: FY 2009 House Bill 990, FY 2013 House Bill 742, and Governor Budget Report – FY 2014

Low-Income Family Support Staff Stretch to Help More Needy Families

Though the cuts in low-income supports from fiscal years 2009 to 2014 seem relatively small, they should be considered in the context of increasing demand for these services. Since 2006, active Food Stamp, Medicaid, and TANF cases increased by 68 percent. Food stamp and Medicaid cases continue to grow while Georgia still faces historically high unemployment and stagnant wages (Figure 5).

The increase in Food Stamps, Medicaid and TANF cases are resulting in higher caseloads

Figure 5 Demand for Food Stamps, Medicaid and TANF Increase



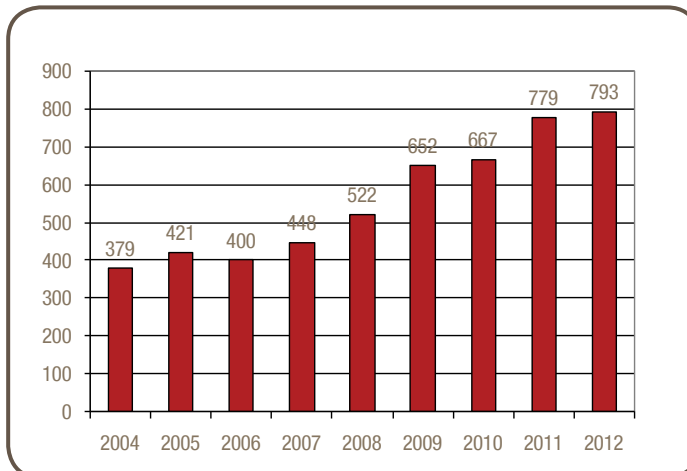
Source: DHS Board Presentation on November 2010; DHS Appropriations Presentation January 2013⁵

for DHS eligibility workers. In 2004, each worker handled an average of 379 cases. The caseload ratio per worker has more than doubled since then, reaching 793 in 2012 (Figure 6).⁵

Though the department automated the food stamp application, which has likely provided some time savings for eligibility workers, caseloads continue to grow. Moreover, TANF and Medicaid applications are not available online while Medicaid caseloads continue to grow as well. Many states, including Florida and Tennessee, offer online forms to make applying for the programs more efficient.

The increasing caseloads call into question whether DHS eligibility workers can efficiently help Georgians get the help they need. Meanwhile, the governor’s 2014 budget proposal does not include funds to add workers to assist the growing number of eligible Georgians gain access to food stamps, TANF and Medicaid.

Figure 6 Caseloads for Low-Income Support Services Workers More than Double



Source: DHS Board Meeting Presentation, August 2012

■ Governor Proposes Large Cuts to Services for the Elderly

The largest of the DHS service cuts in the governor’s amended 2013 budget proposal are to support services for the elderly. The budget cuts \$2.7 million of these support services (Table 4), which includes a \$2.6 million cut to the Community Care Services Program. The program, which assists older and functionally disabled participants achieve self-reliant lives, had to freeze admissions in the first quarter of the current fiscal year. Money was cut from the program after the freeze was lifted, causing more seniors and functionally disabled persons a delay in receiving services. The remainder of the 2013 budget also removes two vacant family service worker positions, whose duties are discussed in more detail below.

Table 4 Support Services for Elderly Cut by \$2.7 Million in FY 2013 Amended Budget

	FY 2013 Original Budget	FY 2013 Amended Budget	FY 2009 – FY 2014 Change (\$)	FY 2009 – FY 2014 Change (%)
Elder Abuse Investigations & Prevention	\$14,212,422	\$14,156,603	(\$55,819)	(0.4%)
Elder Community Living Services	\$66,713,041	\$64,074,385	(\$2,638,656)	(4.0%)
Elder Support Services	\$1,736,320	\$1,736,320	\$0	0.0%
Council on Aging	\$205,127	\$198,973	(\$6,154)	(3.0%)
SubTotal	\$82,866,910	\$80,167,281	(\$2,700,629)	(3.3%)

Source: FY 2013 House Bill 742 and Governor Budget Report – FY 2013 Amended

The serious cuts to elderly support services continue in the governor’s 2014 budget. Next year Georgia plans to spend \$1 million less for these services than the prior year, while state funds for aging services are cut by \$9.9 million, or 10.8 percent, from fiscal years 2009 to 2014, as shown in Table 5.

Table 5 Support Services for Elderly Cut by \$1 Million in FY 2014 Budget

	FY 2009 Original Budget	FY 2013 Original Budget	FY 2014 Governor's Budget	FY 2013 – FY 2014 Change (\$)	FY 2013 – FY 2014 Change (%)	FY 2009 – FY 2014 Change (\$)	FY 2009 – FY 2014 Change (%)
Elder Abuse Investigations & Prevention	\$14,577,451	\$14,212,422	\$13,953,714	(\$258,708)	(1.8%)	(\$623,737)	(4.3%)
Elder Community Living Services	\$74,875,441	\$66,713,041	\$64,801,509	(\$1,911,532)	(2.9%)	(\$10,073,932)	(13.5%)
Elder Support Services	\$2,059,156	\$1,736,320	\$2,854,249	\$1,117,929	64.4%	\$795,093	38.6%
Council on Aging	\$252,352	\$205,127	\$205,072	(\$55)	0.0%	(\$47,280)	(18.7%)
SubTotal	\$91,764,400	\$82,866,910	\$81,814,544	(\$1,052,366)	(1.3%)	(\$9,949,856)	(10.8%)

Source: FY 2009 House Bill 990, FY 2013 House Bill 742, and Governor Budget Report – FY 2014

The service cuts in the governor’s proposed 2014 budget will place elderly Georgians at greater risk. A \$529,000 cut in the Elder Abuse Investigations and Prevention division will eliminate all 17 family service worker positions helping 1,775 people. Family services workers aid the elderly who are the neediest and most at risk of abuse, exploitation and neglect. They not only take these clients to get their medications and groceries, but also spend time with them in their homes. That helps ensure they are less susceptible to abuse.

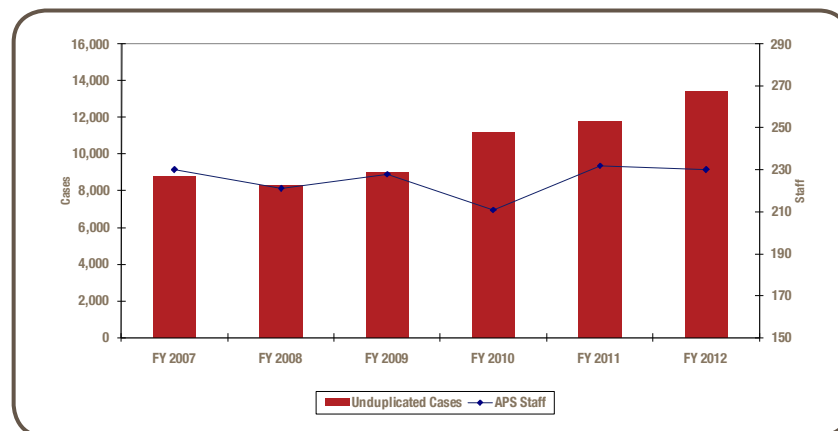
These cuts are especially ill-timed because Georgia recently experienced a rise in crime targeting the state’s senior and disabled citizens for financial gain. Just last year, the governor appeared in a public service announcement video asking the public to help him prevent these crimes. This cut to staff serving elderly Georgians through Adult Protective Services seem to contradict the governor’s stated intent to help prevent elder abuse crimes.

These cuts will also directly affect the quality of life for elderly Georgians. The governor’s proposed 2014 budget also reduces funds for Alzheimer’s Services and Respite Care by \$484,000. This reduction will cut tens of thousands of hours of services that could have gone to elderly Georgians.

Additional Money Needed for Rise in Adult Protective Services, Guardianship Cases

Georgia has the ninth fastest growing population age 60 and over in the United States. This rise in the elderly population has led to the need for increased support services. Adult Protective Services has experienced a 50 percent increase in reports of elder abuse, neglect and exploitation since 2007. Actual Adult Protective Services cases increased as well, but staff has not been added to keep pace (Figure 7).

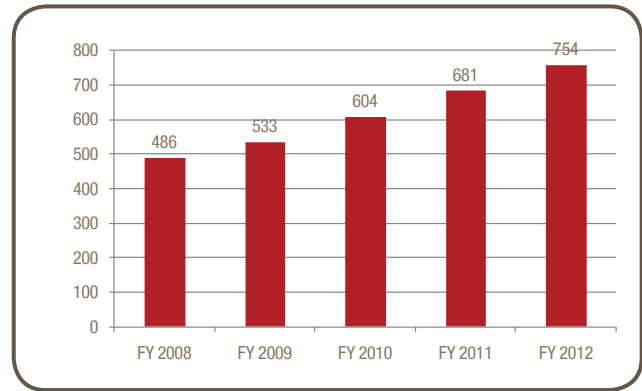
Figure 7 Adult Protective Services Cases Rise, Staff Levels Remain the Same



Source: DHS Appropriations Presentation, January 2013

Guardianship cases are rising too, since DHS serves as a guardian of last resort for the elderly, as appointed by the local probate court (Figure 8).

Figure 8 Adult Guardianship Cases Increase



Source: Georgia Council on Aging, December, 2012

State Funds for Elderly Reduced to Minimum Required For Federal Funds

The governor’s 2014 budget sets state funds at the minimum required level to receive federal funds under the Older Americans Act. A cut of \$1 more would jeopardize all of the funding under the act. The 2013 original budget contains \$31 million under the Older Americans Act.

Child Support Enforcer Loses 35 Positions

Funds to Child Support Services were cut in both the 2013 amended budget and for 2014, removing another potential resource to children who need financial support. Child Support Services, which encourages and enforces parental financial support responsibility, will lose 35 positions left unfilled in previous years, resulting in a combined cut of \$1 million over the 2013 and 2014 fiscal years.

The cuts to Child Support Services are only part of the long-term trend of program cuts. The only funds added to Child Support Services in both the 2013 and 2014 budgets cover employer retirement costs. From fiscal years 2009 to 2014, state funds for child support services decreased by about \$580,000, or by 2.3 percent, as shown in Table 6.

Table 6 Child Support Services Cut in the 2014 Budget

	FY 2009 Original Budget	FY 2013 Original Budget	FY 2014 Governor’s Budget	FY 2013 – FY 2014 Change (\$)	FY 2013 – FY 2014 Change (%)	FY 2009 – FY 2014 Change (\$)	FY 2009 – FY 2014 Change (%)
Child Support Services	\$24,963,922	\$24,606,037	\$24,384,404	(\$221,633)	(0.9%)	(\$579,518)	(2.3%)

Source: FY 2009 House Bill 990, FY 2013 House Bill 742, and Governor Budget Report - FY 2014

Federal Money Not Used to Help Georgians with Disabilities Find Work

The 2013 amended budget and 2014 proposal for the Georgia Vocational Rehabilitation Agency are relatively stable compared to the original 2013 budget. However, from fiscal years 2009 to 2013 this new administratively attached agency, which provides opportunities for work and personal independence for people with disabilities, has been cut by 29.6 percent, as shown in Table 7.

Furthermore, for the past couple of years, Georgia underfunded vocational disability programs, which left it unable to leverage the full federal Vocational Rehabilitation Grant of about \$104 million. For every extra \$1 allocated to state disability programs, the federal grant could provide about \$3.69 in additional federal funds, up to the \$104 million limit. As a result of Georgia’s inability to provide \$14 million more in matching funds, approximately \$56 million in federal funds set aside for Georgia to serve citizens with disabilities in the 2013 budget will be distributed to other states.

Table 7 Georgia Vocational Rehabilitation Services cut by 29.5 percent since 2009

	FY 2009 Original Budget	FY 2013 Original Budget	FY 2014 Governor's Budget	FY 2013 – FY 2014 Change (\$)	FY 2013 – FY 2014 Change (%)	FY 2009 – FY 2014 Change (\$)	FY 2009 – FY 2014 Change (%)
Business Enterprise Program	\$444,108	\$267,655	\$270,955	\$3,300	1.2%	(\$173,153)	(39.0%)
Disability Adjudication Section	\$0	\$0	\$0	\$0	\$0	\$0	(0%)
Georgia Industries for the Blind	\$452,913	\$0	\$0	\$0	\$0	(452,913)	(100%)
Roosevelt Warm Springs Institute	\$7,339,734	\$5,484,053	\$5,108,931	(\$375,122)	(6.8%)	(\$2,230,803)	(30.4%)
Vocational Rehabilitation	\$18,029,477	\$13,031,299	\$13,415,977	\$384,678	3.0%	(\$4,613,500)	(25.6%)
Subtotal	\$28,576,131	\$20,184,533	\$20,111,937	(\$72,596)	(0.4%)	(\$8,464,194)	(29.6%)

Source: FY 2009 House Bill 990, FY 2013 House Bill 742, and Governor Budget Report - FY 2014

■ Cuts to IT Contracts May Impact Reliability of DHS Support Systems

There are \$1.4 million in cuts for information technology contracts over fiscal years 2013 and 2014. This IT infrastructure is important as it facilitates the services provided by DHS, including child welfare investigations, child support enforcement and the provision of supports for low-income families. The department's leaders say this cut in IT contracts "may impact the ability to upgrade or replace outdated systems and provide IT support for the department."⁶

Endnotes

¹All budget tables throughout document refer to state funds only unless otherwise noted.

²Joint Appropriations Committee Presentation, Commissioner Clyde L. Reese, II, Esq. January 2013. Available at <http://dhs.georgia.gov/sites/dhs.georgia.gov/files/DHS%20AFY13%20%26%20FY14%20Joint%20Appropriations%20Committee%20Budget%20Prese.pdf>.

³The FY 2014 Budget adds \$8,000 to the Office of Residential Child Care to cover the employer share of the Employees' Retirement System.

⁴Low-Income Supports excludes Child-Care Services which was transferred out of DHS in FY 2012.

⁵Lynn Vellinga, DHS CFO, DHS Board Meeting Presentation, August 15, 2012. Available at <http://dhs.georgia.gov/sites/dhs.georgia.gov/files/FY13A%20%26%20FY14%20Budget%20-%20DHS%20Board%20Presentation%20FINAL%20as%20of%208-1.pdf>

⁶Lynn Vellinga, DHS CFO, DHS Board Meeting Presentation, August 15, 2012. Available at <http://dhs.georgia.gov/sites/dhs.georgia.gov/files/FY13A%20%26%20FY14%20Budget%20-%20DHS%20Board%20Presentation%20FINAL%20as%20of%208-1.pdf>

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