

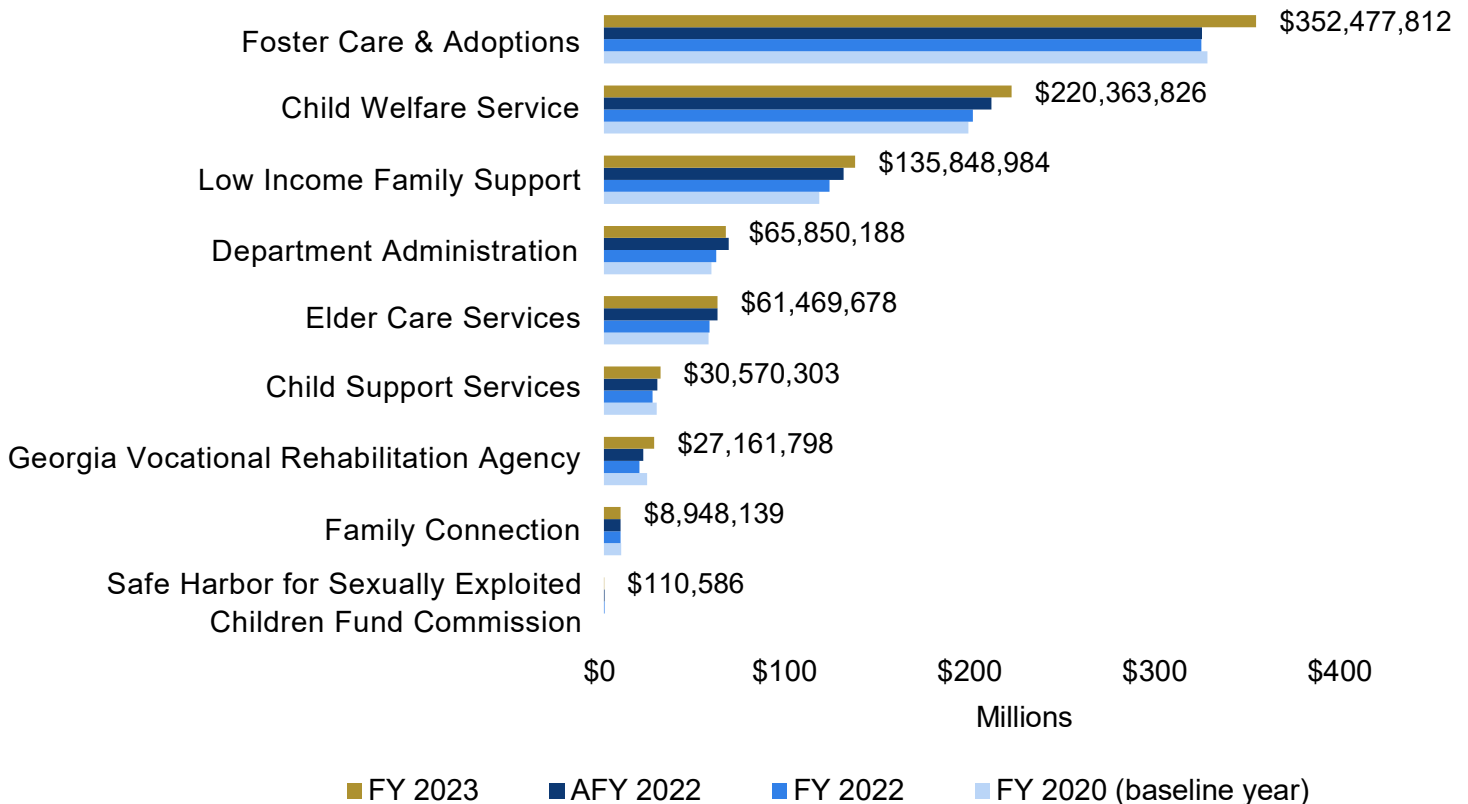
Overview: 2023 Fiscal Year Budget for Human Services

By: Ife Finch Floyd, Senior Policy Analyst

Gov. Brian Kemp's proposed \$903 million Department of Human Services (DHS) budget for the 2023 fiscal year includes cost of living adjustments (COLA) for state workers as well as some additional investments in Georgia's foster care system that help ensure the safety and protection of Georgia's most vulnerable children. The Fiscal Year (FY) 2023 proposal increases investment in the agency by \$86 million more than the budget lawmakers approved last year. More than half of the recommended increase to the agency's budget is from the \$5,000 COLA to all qualified full-time state employees and associated increases in annual leave and retirement benefits. The budget does not add back DHS positions defunded in previous years affecting critical services for public benefits, foster care and child welfare.

The largest share of state funding for the agency is for child welfare- and foster care-related services. The Georgia Division of Family and Children Services' (DFCS) efforts to protect vulnerable children account for about 63 percent of the agency's overall budget. Following closely are state investments to pay the salaries of eligibility staff for federal low-income assistance programs such as Medicaid, the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF). Smaller yet vital programs such as vocational training for adults with disabilities and elder protection services account for the remaining funds.

FY 2023 Budget Proposal Sends \$903 Million to the Department of Human Services



Source: Governor's Budget Report Fiscal Year 2023, pages 219-234.

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Most of DHS' programs are meant to support people and families with low income and to provide protection to groups at risk of neglect or abuse. Many of the people participating in DHS programs are Black and Brown families. For example, Black Georgians make up the single largest group of people receiving SNAP and TANF.¹ Black and white children are both overrepresented in the state's foster care system.² However, among the children who cannot be reunited with their families, white children are more likely to have an adoptive parent identified than Black children.³ Therefore, DHS' budget allocation is a racial justice issue, where investment, or lack thereof, disproportionately impacts Black and Brown people.

By the Numbers

Amended 2022 Fiscal Year Highlights

- \$34 million proposed in additional state funds for Amended Fiscal Year (AFY) 2022 over FY 2022.⁴
- \$27 million increase in pay for full-time state employees over FY 2022.
- \$4 million increase for enhancements to the Gateway program eligibility system as part of implementation cost of the Patients First Act of 2019.⁵
- \$2.7 million for a state match to draw down federal American Rescue Plan funds that would fund elderly care services like supportive services, family caregiver support and preventive health services.⁶

2023 Fiscal Year Highlights

- \$86 million proposed in additional state funds for FY 2023 over FY 2022.
- \$37.5 million increase in pay for eligible full-time state employees over FY 2022.
- \$14 million increase in leave and retirement benefits state employees over FY 2022.
- \$27.8 million to fund a 10 percent provider rate increase for Child Caring Institutions, Child Placing Agencies, foster parents, and relative caregivers.
- Nearly \$3 million for pilots and programming for children in or at risk of foster care and children with autism in the child welfare system
 - \$1.5 million to pilot new foster care prevention strategies and provide additional supports to foster care children.
 - \$452,000 for an autism diagnosis pilot for foster care children in Region 12.
 - \$1 million for autism respite care to provide short-term help for caregivers in caring for a child with unique needs.
- \$4.3 million for capital improvements for the Vocational Rehabilitation Program.
- \$240,000 *reduction* in funding for the Safe Harbor for Sexually Exploited Children Fund Commission.

Governor's Budget Includes Overdue Investments for the DHS Workforce

After a couple of years of reduced DHS budgets during a global pandemic that increased hardship for many Georgians, the governor has proposed some long-overdue investments in the workforce. Over the past two years, state legislators decided to not fund vacated DHS positions; the agency lost nearly 600 staff between FY 2019 and FY 2021, many in vacated caseworker positions.⁷ The governor's current proposal does not include funding to add back those staff positions, but the pay increases are a positive move to help

maintain DHS' current workforce level. The COLA will support the modest salaries of DHS staff, especially the frontline caseworkers who have some of the lowest earnings in the department. Still with fewer caseworkers there continues to be a danger of longer processing times for applications of programs like SNAP and Medicaid. Specifically for SNAP, Division of Family and Children Services caseworkers are required to approve applications for eligible individuals seeking nutrition assistance within 30 days, according to federal law. Georgia has not always met this "standard of promptness" and has experienced significant delays in processing times. With Black recipients making up a significant proportion of SNAP recipients, longer wait times are likely to exacerbate the food insecurity Black families are already more likely than white families to experience.⁸

Foster Care and Child Welfare

Proposed investments in Foster Care and Child Welfare services would better assist foster parents and bolster preventive and supportive services in the foster care and child welfare systems. Many foster parents and group homes struggle financially while caring for foster children. The recommended \$27.8 million to increase the out-of-home care provider rate by 10 percent will help foster parents better afford the needs of the children in their care. The budget also proposed nearly \$3 million for pilots and unique programming focused on children at risk of entering or already in foster care and children with autism in the child welfare system. Additionally, the governor proposes using an existing \$6.7 million in funding that state lawmakers approved last year to improve the continuum of care for preventative and therapeutic services in foster care. This includes specialized treatment for children with behavioral, mental and developmental challenges within the foster care system.

Ensuring DHS Advances Racial Equity

Many Georgians, especially Black and Brown individuals and families, continue to struggle during the pandemic, and people of color, who were more likely to experience hardship, rely on DHS services. The department has a major role in keeping people financially secure and protected from harm. The Governor's budget is a welcome improvement for DHS programs and services, but it is still a long way off from an investment that truly advances racial equity. For example, DHS needs to build and strengthen its workforce to ensure that people get the benefits they need and that claims of neglect and abuse are adequately investigated. And state legislators should bolster and expand support programs like TANF that not only get needed cash aid to families, but also help prevent children from being removed from their home because their parent cannot meet their basic needs.⁹ The General Assembly can build on the Governor's plan and lay a strong foundation for DHS' future.

Endnotes

¹ Department of Human Services, Georgia Division of Family and Children Services, Planning, Performance, & Reporting Section. (FY 2020). *Descriptive data by county, state Fiscal Year 2020*. Department of Human Services. Retrieved from <https://dfcs.georgia.gov/document/document/dfcs-descriptive-data-fy-2020/download>.

² Department of Human Services. (July 1, 2022 through September 30, 2021 [last quarter reported], screen 4 of 7). *Child welfare data: Foster care*. Retrieved 1/25/2022. Retrieved from <https://dhs.georgia.gov/division-family-children-services-child-welfare>

³ Department of Human Services. (July 1, 2022 through September 30, 2021 [last quarter reported], screen 7 of 7)., *Child welfare data: Children available for adoption*. Retrieved 1/25/2022 from <https://dhs.georgia.gov/division-family-children-services-child-welfare>

⁴ AFY 2022 would adjust the budget for the rest of the current fiscal year, which ends June 30, 2022.

⁵ In her January 27, 2022 presentation to the House Appropriation Human Resources Subcommittee, DHS Commissioner Broce discussed how the enhancements to Gateway were related to Gov. Kemp's Medicaid 1115 waiver request, originally approved by the Centers for Medicare & Medicaid Services (CMS) under the Trump Administration, which would have instituted work requirements for Medicaid recipients. On December 23, 2021, [CMS rescinded the state's authority](#) to implement these changes. In the subcommittee hearing, Com. Broce stated that given CMS's decision, the Gateway eligibility system would no longer need all the enhanced functionality as previously planned and said DHS would only use \$2 million instead of the full \$4 million in the Governor's proposed budget. Broce, C. (January 27, 2022). Presentation on Georgia's Department of Human Services Budget to the Georgia House Appropriations Human Resource Subcommittee. <https://vimeo.com/showcase/8988922?video=670397762>.

⁶ In March 2021, the U.S. Congress passed the American Rescue Plan, which included funds to assist states and localities with public health and economic relief efforts to respond to the pandemic.

⁷ Georgia Department of Administrative Services. (2019, November 19). *State of Georgia 2019 workforce summary*. <https://doas.ga.gov/assets/Human%20Resources%20Administration/Workforce%20Reports/FY-2019-Report.pdf>

Georgia Department of Administrative Services. (November 1, 2021). *State of Georgia TeamWorks HCM System Fiscal Year end 2021 workforce report*.

<https://doas.ga.gov/assets/Human%20Resources%20Administration/Workforce%20Reports/Fiscal%20Year%20End%202021%20Workforce%20Report.pdf>

⁸ Llobrera, J. (2020, May 13). *Food security impacts on people of color highlight need for aid*. Center on Budget and Policy Priorities. <https://www.cbpp.org/blog/food-security-impacts-on-people-of-color-highlight-need-for-aid>.

⁹ Finch Floyd, I (2022, December 10). Georgia can afford to begin to modernize TANF and move past its racist legacy. Georgia Budget and Policy Institute. <https://gbpi.org/georgia-can-afford-to-begin-to-modernize-tanf-and-move-past-its-racist-legacy/>.