



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Division Social Services

**Joint House and Senate Appropriations
Committees on Health and Human Services**

March 19, 2019

DSS Base Budget

	Actual	Certified	Authorized	Incr/Decr	Total	Incr/Decr	Total
Account Title	2017-18	2018-19	2018-19	2019-20	2019-20	2020-21	2020-21
PERSONAL SERVICES	\$26,913,506	\$30,711,593	\$29,489,382	(\$440,515)	\$29,048,867	(\$440,515)	\$29,048,867
PURCHASED SERVICES	\$23,459,648	\$25,514,040	\$25,162,973	\$6,132,553	\$31,295,526	\$6,133,845	\$31,296,818
SUPPLIES	\$166,578	\$225,772	\$214,141	(\$2,417)	\$211,724	(\$2,417)	\$211,724
PROPERTY, PLANT & EQUIPMENT	\$292,867	\$307,381	\$293,908	\$0	\$293,908	\$0	\$293,908
OTHER EXPENSES AND ADJUSTMENTS	\$2,455,968	\$3,180,839	\$2,767,391	(\$152)	\$2,767,239	(\$152)	\$2,767,239
AID AND PUBLIC ASSISTANCE	\$1,848,373,588	\$1,829,942,663	\$1,854,452,912	(\$11,083,829)	\$1,843,369,083	(\$11,083,829)	\$1,843,369,083
RESERVES	(\$7)	\$6,299,072	\$4,936,008	(\$3,506,320)	\$1,429,688	(\$3,506,320)	\$1,429,688
INTRA-GOVERNMENTAL TRANSFERS	\$13,555,495	\$1,280,847	\$1,530,847	\$0	\$1,530,847	\$0	\$1,530,847
Total Requirements	\$1,915,217,644	\$1,897,462,207	\$1,918,847,562	(\$8,900,680)	\$1,909,946,882	(\$8,899,388)	\$1,909,948,174
GRANTS	\$753,612,627	\$722,688,818	\$743,418,857	(\$3,899,808)	\$739,519,049	(\$3,899,680)	\$739,519,177
FEES, LICENSES & FINES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISCELLANEOUS	\$7,016,756	\$8,433,766	\$8,021,070	\$0	\$8,021,070	\$0	\$8,021,070
INTRAGOVERNMENTAL TRANSACTION	\$15,917,283	\$8,458,045	\$8,458,045	\$0	\$8,458,045	\$0	\$8,458,045
FEDERAL FUNDS	\$944,043,786	\$952,381,915	\$954,104,744	\$5,713,370	\$959,818,114	\$5,714,132	\$959,818,876
Total Receipts	\$1,720,590,452	\$1,691,962,544	\$1,714,002,716	\$1,813,562	\$1,715,816,278	\$1,814,452	\$1,715,817,168
Net Appropriation	\$194,627,191	\$205,499,663	\$204,844,846	(\$10,714,242)	\$194,130,604	(\$10,713,840)	\$194,131,006
FTE							
531212	4.000	4.000	4.000	0.000	4.000	0.000	4.000
531213	417.000	419.000	395.000	0.000	395.000	0.000	395.000
531222	2.000	2.000	2.000	0.000	2.000	0.000	2.000
531223	3.000	2.000	3.000	0.000	3.000	0.000	3.000
Total FTE	426.000	427.000	404.000	0.000	404.000	0.000	404.000



Increase/Decrease Detail

	FY 2019-20	FY 2020-21
NR Items Removed		
State Retirement Contributions	(\$26,625)	(\$26,625)
Temp Assist for Facilities that Serve SA	(\$5,000,000)	(\$5,000,000)
Temp Assist for Facilities that Serve SA	\$1,100,000	\$1,100,000
Child Welfare Workers for Local DSS One-time Swap Out (TANF)	\$348,558	\$348,558
TANF Technical Budget Adjustments - all federal receipts	\$0	\$0
Supportive Employment Opportunities	(\$300,000)	(\$300,000)
FNS Outreach for Medicaid Dual Eligible	(\$420,000)	(\$420,000)
Eckerd Kids and Caring for Children's Angels Watch	(\$500,000)	(\$500,000)
Child Welfare Program Improvement Plan	(\$330,521)	(\$330,521)

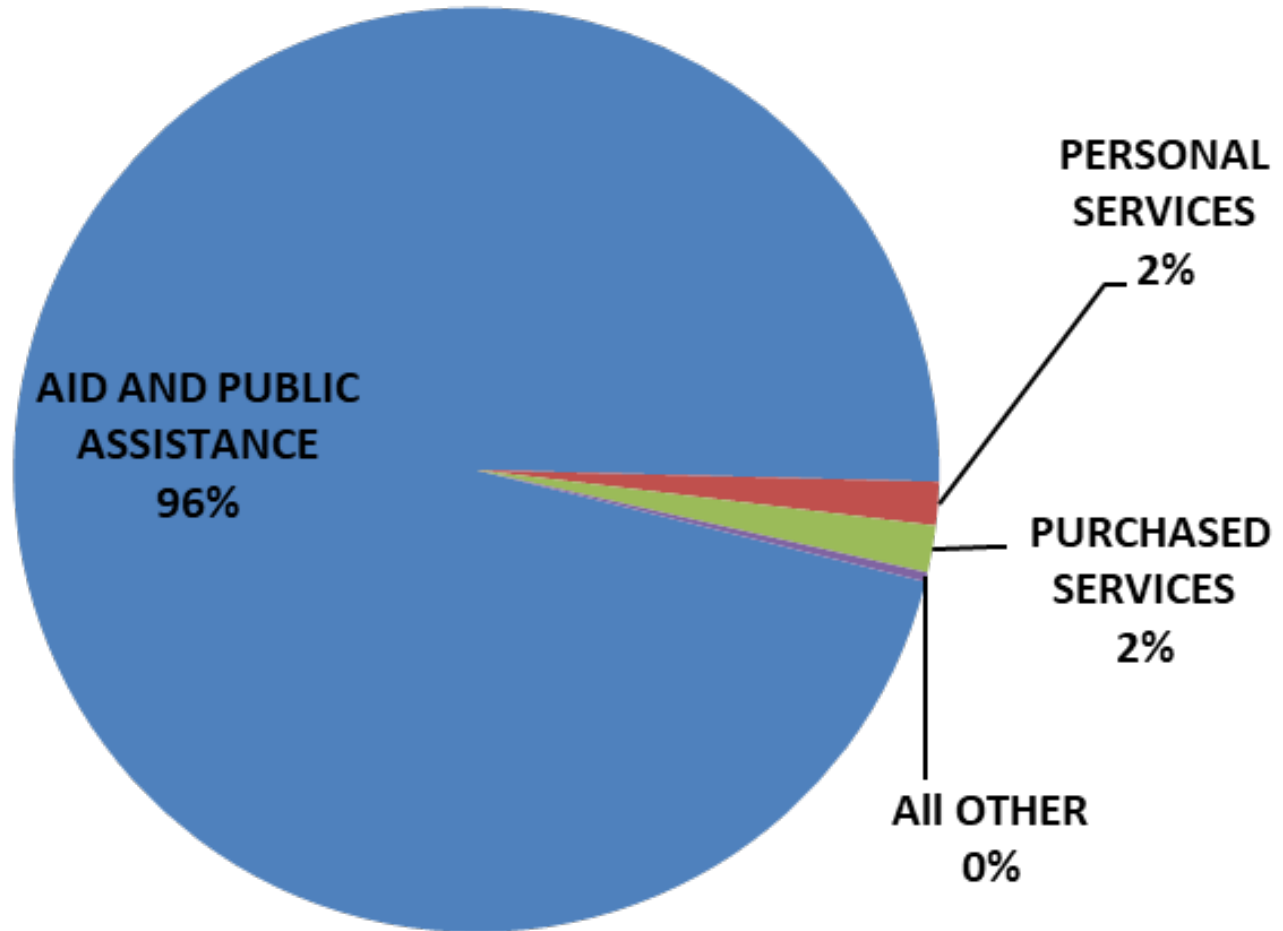


Increase/Decrease Detail

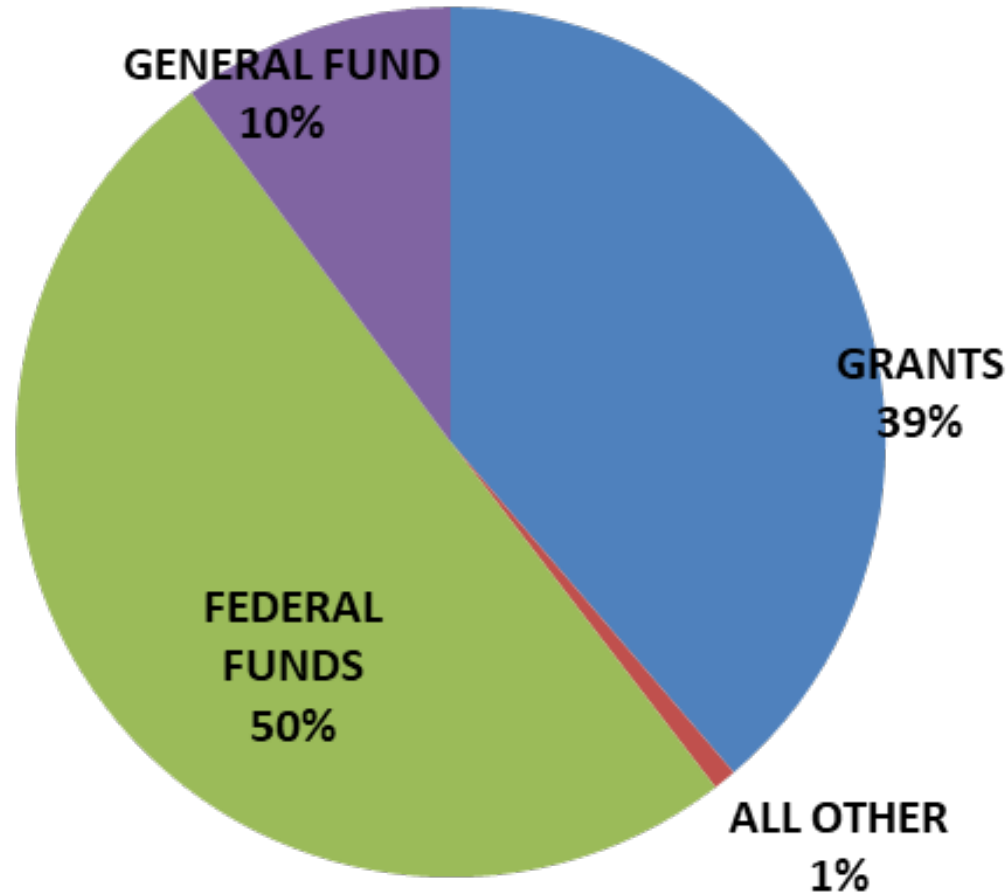
	FY 2019-20	FY 2020-21
NR Items Removed		
Family/Child Protection & Accountability Act Reserve	(\$3,229,695)	(\$3,229,695)
Permanency Innovation Fund	(\$750,000)	(\$750,000)
Direct Appropriations	(\$1,345,000)	(\$1,345,000)
Partial Year Funding Annualized		
Annualization of Hearings & Appeals - positions sent to Division of Health Benefits	(\$261,523)	(\$261,523)
Other		
DSS 2019-21 Lease Increases	\$564	\$966
Total	(\$10,714,242)	(\$10,713,840)



DSS Base Budget Expenditures FY 2019-21



DSS Base Budget Funding Sources FY 2019-21



Grants are county funds or provider match. County funds account for \$737 million and 38.6% of the total funding.



2017-2018 Significant Budget Actions

S.L. 2017-57, Appropriations Act of 2017

	FY 2017-18		FY 2018-19	
Child Welfare Federal Program Improvement Plan	\$8,730,446	R	\$9,146,696 \$330,521	R NR
Family/Child Protection & Accountability Act Reserve	\$161,439	NR	\$3,229,695	NR
Temporary Assistance for Facilities that Serve Special Assistance Recipients	\$5,000,000	NR	\$5,000,000	NR



2018-2019 Significant Budget Actions

S.L. 2018-5: Appropriations Act of 2018

	FY 2018-19	
Low Income Energy Assistance Program	\$8,563,229	R
Crisis Intervention Program	\$8,563,229	R
Adult Guardianship	\$1,316,412	R

All funding listed above are from federal block grant funds.



Significant Legislative Actions

S.L. 2017-57: Appropriations Act of 2017

Sec. 11L.1.k, Social Services Block Grant

Provided \$3 million nonrecurring funding in each year of the biennium to assist counties in the implementation of the Child Welfare case management system in NC FAST.



Significant Legislative Actions

S.L. 2017-41: Rylan's Law/Family/Child Protect. & Acc. Act.

Requires a plan for regional supervision of county departments of social services. DHHS cannot implement the plan without an act of the General Assembly.

Requires a contract with a third party to develop a plan to reform the State supervision and accountability for the social services system and to make recommendations regarding a child welfare reform plan.

Requires written agreements, corrective action, and state intervention with social services departments.

Establishes a child well-being transformation council to improve coordination, collaboration, and communication among child-serving agencies.



Significant Legislative Actions

S.L. 2017-41: Rylan's Law/Family/Child Protect. & Acc. Act.

Establishes a pilot program to help youth in substitute care obtain drivers licenses.

Establishes a pilot program to authorize a waiver of the employment requirement for foster parents with children receiving intensive alternative family treatment.

Reduces the time a parent has to appeal from a termination of parental rights order.

Reduces the time for foster care licensure approval.

Requires child protective service observation before physical custody of a child may be returned to a parent, guardian, custodian, or caretaker from whom the child was removed.



Administration

- Federally Authorized, State Supervised, County Administered.
- Division of Social Services (DSS) oversees federally and State authorized human services programs.
- Supported by federal, State and county funds.
- Division of Social Services and the Social Services Commission establishes policy and oversees compliance.
- County boards of social services and commissioners determine local priorities and supplement funding.
- Counties directly administer programs.



Programs and Services



Food and Nutrition Services (FNS)

- Federal food assistance program that provides benefits to low-income people that they can use to buy food.
- Entitlement program, so all eligible individuals and households can receive assistance.
- Monthly allotments of FNS benefits are issued via Electronic Benefit Transfer cards (EBT cards).
Households use these benefits to buy eligible food in authorized retail food stores.



Food and Nutrition Services (FNS)

Maximum Monthly Income and Allotment effective October 1, 2016

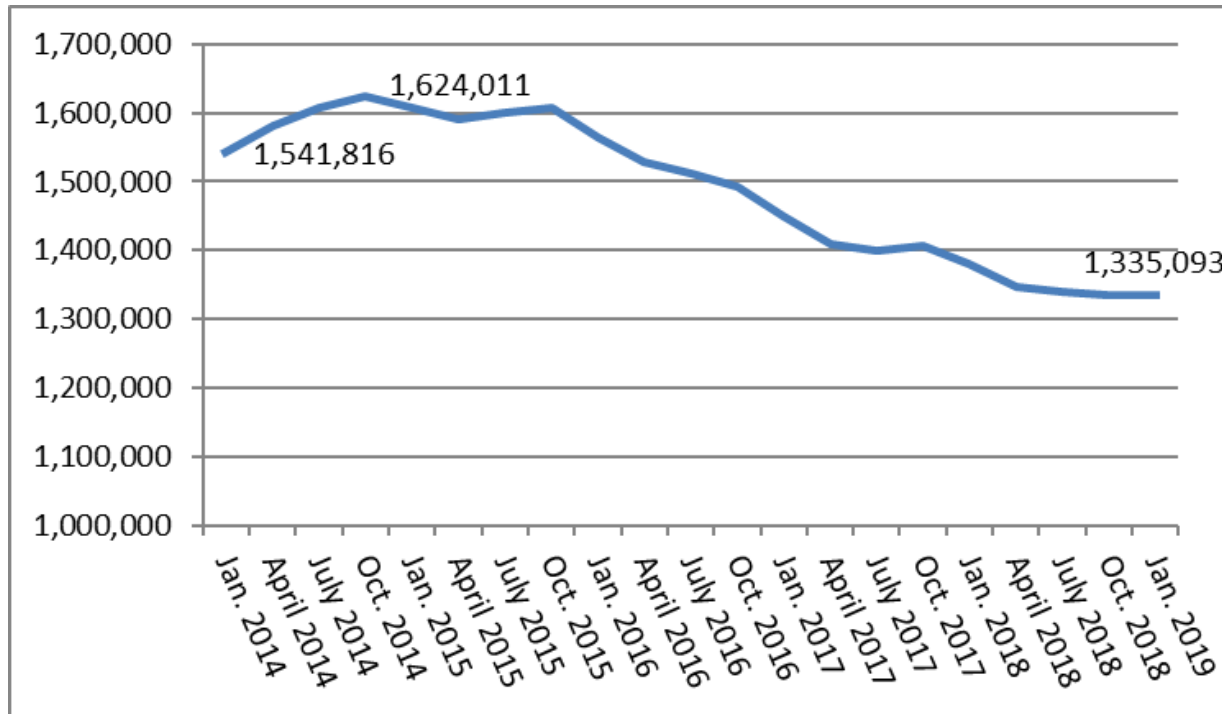
FNS UNIT SIZE	200% MAX. GROSS INCOME LIMIT	130% MAX. GROSS INCOME LIMIT	MAXIMUM ALLOWABLE NET INCOME	MAXIMUM BENEFIT ALLOTMENT
1	\$2,024	\$1,316	\$1,012	\$192
2	\$2,744	\$1,784	\$1,372	\$353
3	\$3,464	\$2,252	\$1,732	\$505
4	\$4,184	\$2,720	\$2,092	\$642
5	\$4,904	\$3,188	\$2,452	\$762
6	\$5,624	\$3,656	\$2,812	\$914
7	\$6,344	\$4,124	\$3,172	\$1,011
8	\$7,064	\$4,592	\$3,532	\$1,155
Each Additional Member	(+) \$720	(+) \$468	(+) \$360	(+) \$ 144

Source: Food and Nutrition Services Manual, FNS 285 Determining Benefit Levels, viewed 03/09/2019



Food and Nutrition Services (FNS)

Individuals Served January 2014-January 2019



Federal Fiscal Year 2018 (October 2017-September 2018) Data:

Average monthly households served: 656,788

Average benefit issued per household: \$237

Total benefit issuance in North Carolina: \$1.87 billion

Source: <https://www2.ncdhhs.gov/dss/stats/fsp.htm>, FNS Cases and Participants.xlsx;

<https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap>



Disaster Food and Nutrition Services (D-FNS)

Non-FNS program recipients may be eligible for D-FNS if they experienced disaster related expenses.

Eligibility is based on available income / resources and documented statement of food loss.

D-FNS implemented in 34 counties:

223,293 applications 205,608 households (92%) approved

Average benefit per household was \$411

Supplemental benefits were issued for qualified FNS recipients.

67 counties, including the 35 D-FNS counties, issued replacement FNS benefits to recipients who suffered a food loss.

Total amount of D-FNS, FNS Replacements, and FNS Supplements issued: \$126.9 million (Federal Funds).



Work First Family Assistance

Work First is North Carolina's Temporary Assistance for the Needy Families (TANF) program. This program helps parents support themselves and their families by offering short-term training and other services to increase the chances of employment.

States have flexibility in setting eligibility and payments for programs funded with TANF Block Grant Funds. North Carolina current eligibility criteria is set in G.S. 108A-27.01. Current income and payment standards:

Assistance Unit	Need Standard	Max Benefit Payment
1	\$362	\$181
2	\$472	\$236
3	\$544	\$272
4	\$594	\$297



Work First Family Assistance

January 2019

13,027 Cases

24,029 Participants

Average number of individuals per case: 1.8

Percentage of caseload that is child only: 81%

Average payment for all cases: \$199



Child Support Services

Responsible for the collection of child support money from non-custodial parents

- Assist in locating absent parents.
- Establish paternity of the child.
- Petition the court for child support orders.
- Collect and disburse child support payments.



Child Support Services

Child Support Services is locally operated. There are 100 Child Support Offices. Counties have placed their Child Support Services offices under the authority of various local agencies:

- 75 under the authority of County DSS
- 9 under the authority of the County Manager
- 16 under contract with private companies

Regardless of who operates the local Child Support Services office, the same regulations, laws, and state policies apply.



Child Support Services

Fiscal Year 2018

CASES

401,750 cases at the end of the reporting period.

COLLECTIONS

\$691,016,512 million collected.

COURT ORDERS

86.93% of cases currently have a court order for child support compared to 86.28% FY 2017.

PATERNITY

Paternity was established for 299,512 children born out of wedlock.

Source: <https://www2.ncdhhs.gov/dss/cse/statistics.htm>. viewed 03/09/2019



Child Protective Services

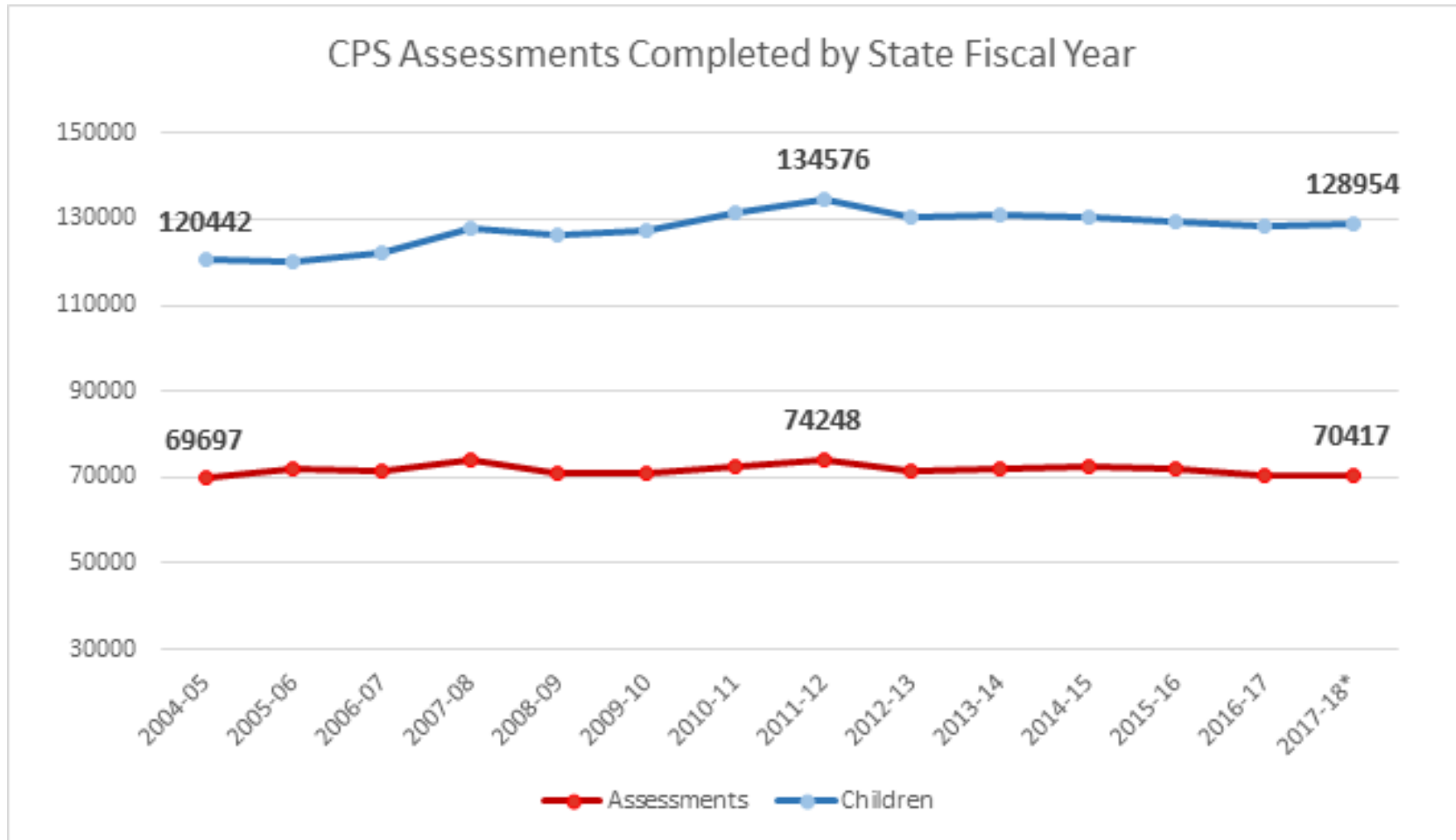
Child Protective Services (CPS) helps prevent further harm to children from abuse, exploitation or neglect by a parent or caretaker. CPS workers in county departments of social services (DSS) accomplish this through:

- Assessing suspected cases of abuse and neglect.
- Assisting the family in diagnosing the problem.
- Providing in-home counseling and supportive services to help children stay at home with their families.
- Coordinating community and agency services for the family.
- Petitioning the court for removal of the child, if necessary.
- Providing public information about child abuse and neglect.

Source: NC DHHS Open Window, <http://dhhsopenwindow.nc.gov/>



Child Protective Services



Source: Child Welfare Data Team, North Carolina Division of Social Services. Data retrieved from NCDHHS Client Services Data Warehouse Central Registry table on 3/14/2019.



Foster Care Services

Foster Care services provide temporary care for infants, children and adolescents who have been removed from their own homes because their families cannot or will not provide protection or care for them adequately. Foster Care Services are designed to strengthen, preserve, and/or reunite families after children have come into agency legal custody or placement responsibility. Foster Care Services:

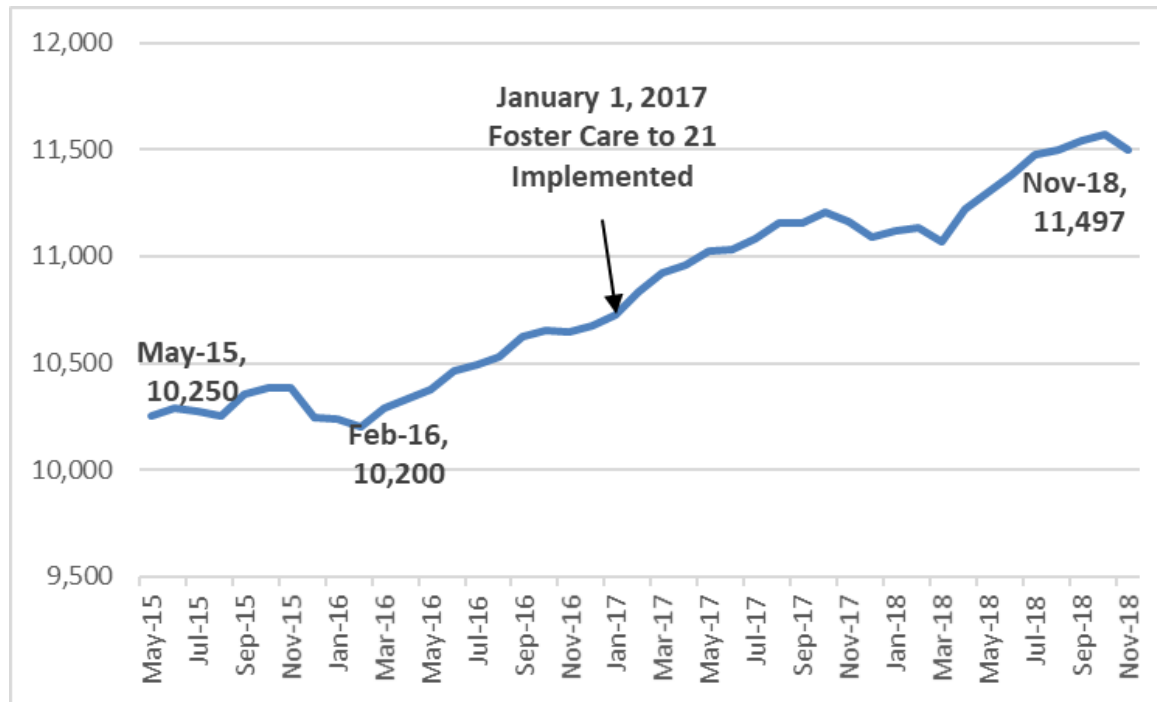
- Help families strengthen their parenting abilities.
- Help children with health, educational, mental health and developmental needs.
- Help young adults who are aging out or have already aged out of the foster care system.

Source: NC DHHS Open Window, <http://dhhsopenwindow.nc.gov/>



Foster Care Growth

The number of children in Foster Care fluctuates. There is a current upward trend in the number of children in Foster Care.



Source: Duncan, D.F., Kum, H.C., Flair, K.A., Stewart, C.J., Vaughn, J.S., Guest, S., Rose, R.A., Malley, K.M.D. and Gwaltney, A.Y.(2019). Management Assistance for Child Welfare, Work First, and Food & Nutrition Services in North Carolina (v3.2). Retrieved 03/09/2019, from the University of North Carolina at Chapel Hill Jordan Institute for Families website. URL: <http://ssw.unc.edu/ma/>



Adoption Services

Adoption Services help children whose birth parents cannot care for them to become part of a new family. County departments of social services and private child-placing agencies provide these services, including:

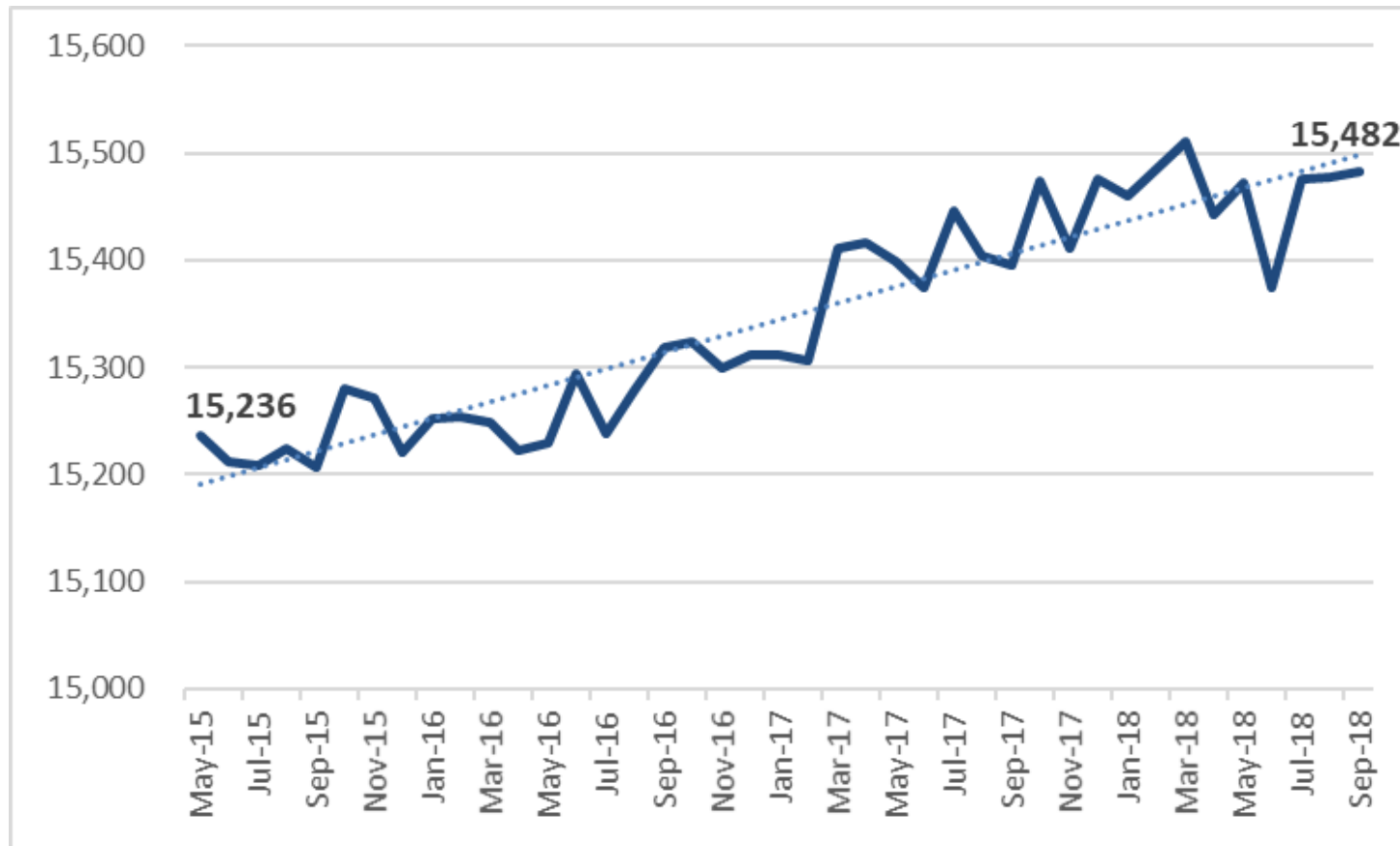
- Recruiting, assessing and selecting adoptive homes.
- Casework services for adoptive families to help sustain the placement.
- Help finalizing the legal adoption.
- Post-adoption services.

These services benefit children in the foster care system and the families who adopt them.

Source: NC DHHS Open Window, <http://dhhsopenwindow.nc.gov/>



Adoption Assistance



Source: Division of Social Services, FC-AA_byCo_2018_09_SFY2020proj.xlsx



Other Programs

Low-Income Energy Assistance Program (LIEAP)

- Federally funded
- Provides for a one-time vendor payment to help eligible households pay their heating bills.
- households containing an elderly person age 60 and above or a person with a disability are prioritized for services.

Refugee Public Assistance and Social Services

- Federally funded
- Social Services provides short-term transitional assistance to help refugees become self-sufficient such as help finding employment and transportation, skill certification, and learning English.
- Refugee Assistance Program is a short-term transitional program that helps refugees and other eligible recipients become economically self-sufficient.



Family First Prevention Services Act

Bipartisan Budget Act of 2018 (H.R. 1892) was signed February 9, 2018, and included the Family First Prevention Services Act.



Family First Prevention Services Act

States Have the **Option** to Use Title IV-E to Prevent Children's Entry into Foster Care

Allows the use of Title IV-E funds for the following services to prevent the placement of children and youth into the foster care system.

- In-home parent skill-based programs.
- Mental health services and substance abuse prevention and treatment services.

Title IV-E funds can only be used in this capacity for 12 months for children who are “candidates for foster care” and for pregnant or parenting foster youth. Children and youth under the guardianship of a kin caregiver are also eligible for these funds.

States must demonstrate maintenance of effort of state foster care prevention spending at the same level as their 2014 spending.

Source: NCSL: <http://www.ncsl.org/research/human-services/family-first-prevention-services-act-ffpsa.aspx>



Family First Prevention Services Act

Focus on Family Foster Care: Major Reforms to Congregate, Residential and Group Care

- A reimbursement-eligible family foster home must have 6 or fewer children, and a reimbursement-eligible child care institution as having 25 or fewer youth.
- Federal payments for placements that are not foster homes or qualified residential treatment programs are limited of two weeks . This rule takes effect Oct. 1, 2019.

Source: NCSL: <http://www.ncsl.org/research/human-services/family-first-prevention-services-act-ffpsa.aspx>



Family First Prevention Services Act

An exception to this rule is made under the following circumstances:

- Juvenile justice system (states may not incarcerate more juveniles under this provision).
- Prenatal, postpartum, or parenting support for teen moms.
- A supervised setting for children 18 or older.
- High-quality residential activities for youth that have been victims of trafficking or are at risk of it.

Source: NCSL: <http://www.ncsl.org/research/human-services/family-first-prevention-services-act-ffpsa.aspx>



Family First Prevention Services Act

States may **delay** the implementation of the changes to congregate, residential and group care part of the legislation for **two years**, but if they choose to do so they delay funding for prevention services for the same length of time.

The Department of Health and Human Services has notified the Administration for Children and Families that North Carolina will delay implementation until October 1, 2021.

Source: NCSL: <http://www.ncsl.org/research/human-services/family-first-prevention-services-act-ffpsa.aspx>



Questions?

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