

## 2011-2013 Biennial Budget: Program Impacts to Selected Departments

### ***Social Services***

#### **Eliminates state funding for the Community Triage Center (CTC)**

The Community Triage Center (CTC) helps local healthcare, social service, and law enforcement systems divert the many chronic inebriates who may also suffer from mental health issues. Since its creation in 2003, over 36,000 individuals have been safely treated in an alternative setting at a lower cost than a hospital emergency room or a jail bed. In addition, the CTC has also functioned as a “wet-shelter” for the homeless under the influence, who cannot gain access to other community shelters. Over 85% of the approximately 4,000 individuals served annually by the CTC are homeless. The Community Triage Center is funded through a three-prong partnership between the state, local governments, and hospitals. The elimination of state funding for the CTC will cause the partnership to dissolve. Continued existence of the CTC is unclear as a result. If the CTC is no longer in existence, these individuals will again crowd the emergency rooms in hospitals or end up in jail beds, causing delayed access to health care for citizens needing emergency services and increasing dramatically the cost to the taxpayers.

#### **Shifts responsibility for funding long-term care of severely disabled individuals to counties**

This item would shift the costs of nursing home services to low-income elderly and disabled individuals to counties. The Governor's Executive Budget changes the threshold for the County Match program from 156% of the Federal Supplemental Security Income rate to 132% in the first year and 124% in the second year. In doing so, this shifts a larger portion of the costs to the counties. Counties already fund nursing home services for individuals with incomes between 156% and 300% of the federal SSI rate. The impact to Clark County is approximately \$12 million each year.

As a result of this cost shift, Social Services must take dramatic steps to eliminate services and personnel. These steps will include:

- Closure of all satellite offices. Currently, the satellite offices provide easier access to clients located throughout the valley. Clients would be required to come to the main office on Pinto Lane.
- Eliminate burials for deceased indigent individuals. Currently, cremations are performed for most indigent individuals, unless the individual has a stated opposition to cremation. Going forward, all indigent deceased would be cremated, regardless of stated intentions.
- Eliminate the majority of the financial assistance program. The current budget for the financial assistance program is approximately \$5M. This would need to be reduced to \$1M, causing approximately 8,000 individuals and families to lose assistance.
- Eliminate approximately 50% of the workforce in Social Services. In addition to dramatically reducing the amount of funding available for the financial assistance program, staffing for the program would need to be eliminated. As a result, the funding for the program would need to be administered by community nonprofit partners. This reduction in force would affect approximately 80 workers.
- Continue the medical assistance program as it is currently. Given the above steps, staff believes that the medical assistance program could potentially continue as it currently operates today. However, further cuts or impacts to Social Services would require this program to become a hospital payment program rather than a social services function.

## ***University Medical Center***

### **Further cuts to Medicaid service providers**

The Nevada Department of Health and Human Services has proposed budget cuts for the upcoming biennium. The most direct impact on UMC will be the proposed reduction of Medicaid hospital reimbursement rates by another 5%. If these cuts are imposed as

they were the end of 2008, some services will be unduly affected such as maternity, neonatal intensive care and psychiatric care. These service areas were disproportionately affected by the first 5% reduction in 2008.

As the largest provider of Medicaid services in the State of Nevada, cuts to Medicaid reimbursement rates would have a significantly negative effect on UMC. It is estimated that a 5% cut in Medicaid reimbursement rates would impact UMC by a loss of more than \$2 million each year. This fiscal impact further exacerbates the ballooning subsidy required by Clark County each year.

### **Indigent Accident Fund and Supplemental Fund**

The Governor's budget proposes the continued sweeping of the Indigent Accident Fund and Supplemental Fund. Together, these funds represent 2.5 cents of property tax. Prior to redirection, these funds supported medical services for indigent individuals. Approximate impact is \$16.25 million annually, \$32.5 million over the biennium.

UMC provides the largest amount of care to the indigent and uninsured in the state. The total uncompensated care cost for UMC in 2009 was \$246,293,762 and \$203,992,522 in 2008. The Indigent Accident Fund and Supplemental Fund are intended to assist in recouping these costs. In FY2008, the last year that the IAF/SUP was distributed, UMC received almost \$12M. The continued sweeping of this fund directly contributed and contributes to UMC's critical status.

### ***Family Services***

The state currently provides funding to Clark and Washoe counties for child welfare programs. The budget converts the funding to a block grant that includes incentive funding for reaching performance goals, while cutting available funding. DFS budget request for the next fiscal year was \$44.5M, not including caseload growth. The base budget for the child welfare block grant will be \$37.5 million annually, which represents a \$7M cut or almost 16% decline in funding. When matched with federal funds, the actual impact to DFS grows to \$10M.

As a result of the cuts, DFS must take cost dramatic steps to cut services and personnel. Two main options exist for addressing these cuts:

- **Apply all funding cuts to personnel.** If the entirety of funding cuts were applied to personnel costs, it would result in a reduction of up to 130 workers. All administrative staff would be eliminated in favor of preserving caseload staff. In addition, approximately 70 caseload staff, or 22%, would need to be eliminated. This would increase caseloads of the remaining staff to approximately 40-45 cases per worker, allowing for each worker to spend 20 minutes each month with each child. Because caseworkers would also need to take on their own administrative duties due to the loss of the administrative staff, the amount of time spent with each child will likely decline even further.
- **Apply cuts equally across personnel, foster care payments, and adoption subsidies.** In this scenario, the cuts would be equally applied to the three categories. As a result, approximately 30 positions or 12% of the workforce, would be eliminated. Foster care payments that currently total approximately \$21M would be cut to \$17.7M, resulting in a 14.3% cut to foster parents. Adoption subsidies that currently total \$19M would be cut to \$15.7M, resulting in a 17% cut to adoptive parents. As a result of the cuts to the foster care payments, some foster families will choose to return the children to Clark County. It is difficult to determine how many children will be returned, but it is certain that Child Haven will again be required to host children for which there is no foster family placement.

*Please note: Each reduction in caseload staff results in the reassignment of children to a new caseworker, causing disruption and uncertainty in the life of the child. In addition, it is estimated that every transfer of a case results in 3-4 months delay in permanency.*

## ***District Attorney***

The Governor's proposed budget seeks to eliminate 14 full time positions in the Child Support Program. This is a federal performance - based program that is the responsibility of the State. Counties can opt in or out of participating in the program through Interlocal agreements. Last year the Clark County District Attorney's Child Support Division earned \$1,266,586 in federal incentive dollars. As our annual performance in establishing paternity, court orders and

collecting child support continues to improve so does our federal incentive funding. Thus, cuts to this program erode our ability to earn federal funds, along with our ability to serve Clark County children and families.

In our ongoing collaboration with the State to make statewide program improvements Clark County contributes 25% of its annual incentive award to a statewide child support enhancement fund. This year Clark County already contributed \$676,704 for statewide child support improvements. We cannot absorb the recommended budget cuts.

### **Child Support Enforcement**

The Governor's budget proposes to eliminate 10 full time workers in state child support staff co-located in the Clark County District Attorney's Office. Clark County, by way of Interlocal agreement presently "opts in" to manage child support cases where the collection of money owed to the state goes to the state general fund. When this caseload was transitioned years ago by the State to Clark County these state FTE's were provided in order to support this shift. Clark County manages 39,332 state cases that have a debt owed to the state. This is over half of our caseload. Clark County has historically managed these cases while grossly understaffed with state FTE's. To eliminate all of the front line state employees working directly on enforcement cases and paternity initiatives would contribute to, at a minimum \$12.1 million dollars in lost child support collections annually as well as millions in lost federal incentive money related to paternity establishment. This is lost revenue for the State, Clark County and children and families.

In addition to the economics this budget proposal becomes a workload issue for Clark County case managers whose case loads are currently 1,144 cases per enforcement worker. This proposal will increase caseloads to 1,305 cases, or 14%. As a result, each case manager will have less time each case manager can spend on his/her caseload, thereby negatively impacting the ability to collect much needed child support. Clark County will have the opportunity to renegotiate its Interlocal Agreement in 2012 and could decline to continue to manage the state's 39,332 cases.

### **Child Support Employment Assistance**

The Governor's budget also proposes to eliminate 4 full time workers in the Child Support Employment Assistance Program in Clark County.

This recommendation completely eliminates our ability to assist unemployed non custodial parents in need of training, education and employment services in order to maximize their ability to pay their child support obligations. If this budget recommendation stands, no longer will there be a vehicle to which the child support program can steer non custodial parents who need job services assistance in order to pay their child support.

*Please note: In approximately 2008 Washoe County, as a result of budget cuts and cost containment, returned the state collection cases back to the state. Clark County in an effort to continue to serve as many of the County's children and families as possible has not done this. In Washoe, the State presently manages 12,561 cases with 38 FTE's. There are no corresponding proposed cuts to the state staff in Washoe County.*

## **Juvenile Justice Services**

### **Eliminates support for youth camps**

Eliminates funding for youth camps such as the Spring Mountain Youth Camp, which rehabilitates troubled youth referred to the camp by judges. The \$1M cut to SMYC would result in a decline of 7% to the overall operating budget of the camp.

After care for SMYC youth would also be eliminated. This will result in a loss of 2 full time positions and one part time mental health technician. Together, these individuals served approximately 150 youth last year. Services lost will include checking for attendance in school, weekly check-ins with the youth, and connecting the youth with mental health services in the community. As a result, Clark County should expect a higher recidivism rate for youth exiting SMYC.

### **Eliminates support for the Community Corrections Block Grant**

Eliminates funding for community programs that support the rehabilitation of troubled youth. The CCBG grant provides \$1.2M and includes 7 full time staff and 4 hourly employees that supervise youth in the community rather than committing them to institutions. This program is part of the Juvenile Detention Alternatives Initiative (JDAI), which has decreased institutionalization of youth 34% since 2004. As a result, these youth will be at a higher risk of being committed to a state institution.

Current caseload for youth parole officers is 50-55 cases. After this elimination of workers, caseload will increase to up to 75 cases per worker. (Best practice is 35-40 cases.)

### **Eliminates room and board funding for youth placements**

Eliminates funding for room and board for youth placements in treatment facilities, costing the county and additional \$3.16M over the biennium. Last year, 410 youth were ordered by the courts into placements into a Regional Treatment Center. Of those, 123 were placed out of state, 252 were placed in state, and 35 juvenile sex offenders were placed in state. Typically, youth are placed out of state only in those cases in which the services needed by the youth are not available in Nevada. There are no identified funding sources to address the additional responsibility for funding room and board of the in state placements.

### **Shifts funding responsibility for youth parole**

Shifts funding responsibility from the state to counties for youth parole services, including costs for re-incarceration of youth recidivists. This shift would involve the transfer of costs for approximately 43 state staff located in Clark County, for an annual cost of \$3.5M, or \$7M over the biennium. This cut would also cut reimbursement of detention holds for youth that have been re-arrested after release. The approximate impact of this cut is \$756,000 over the biennium. In total, these cuts would mean \$7.75M over the biennium.