

# COUNTY OF EL DORADO

## HEALTH & HUMAN SERVICES

Don Ashton, M.P.A.  
Director



## INTEROFFICE MEMORANDUM

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February 24, 2015

To: Each Supervisor

From: Don Ashton, Director  
Health & Human Services

Subject: Social Services Division - New Personnel Allocation Request and Analysis  
Medi-Cal, CalFresh (Food Stamps), and CalWORKs Programs

### **Title/Recommendation:**

1) Human Resources and the Health and Human Services Agency recommending the Board adopt Resolution xxx-2015 to establish the salary schedule and bargaining unit for the Merit System Services classification of Fair Hearing Officer and Vocational Counselor; and

2) Health and Human Services Agency recommending the Board adopt Resolution xxx-2015 to add six (6) full-time equivalent allocations to the Health and Human Services Agency personnel allocation for fiscal year 2014-15, as follows: 1.0 FTE Eligibility System Specialist; 2.0 FTE Eligibility Worker I/II/III; 1.0 FTE Fair Hearing Officer; 1.0 FTE Staff Services Analyst I/II (Job Developer); and 1.0 FTE Vocational Counselor.

### **Funding/Fiscal Impact:**

There is no Net County cost associated with this Agenda item. Funding includes State and Federal allocations for Medi-Cal, CalFresh, and CalWORKs programs, with no County General Fund contribution. Sufficient appropriations were included in the fiscal year (FY) 2014-15 budget, and will be included in future budgets as appropriate.

### **Justification:**

The Health and Human Services Agency (HHSA) Social Services Division has identified the need for increased personnel allocations in the Medi-Cal, CalFresh (formerly Food Stamps), and CalWORKs programs to improve the capacity for service delivery to HHSA clients. The following information details the need and available funding to support the positions by demonstrating funding increases, funding allocation use, caseload growth, increased staff workloads and program requirements, and efforts to improve client outcomes.

### **Reason for Recommendation:**

The adoption of the salary schedule and bargaining unit for the Fair Hearing Officer and Vocational Counselor, as well as the addition of six (6) full-time equivalent (FTE) specialized and advanced journey level allocations, are necessary for the Health and Human Services Agency to begin the process of developing capacity improvements for effective and efficient service delivery with the goal of improving client outcomes.

Medi-Cal, CalFresh, and CalWORKs programs have experienced increases in funding, client caseload, workload, reporting requirements, complex fair hearing process requirements, the implementation of new programs and regulations, the implementation of new electronic case management and assessment systems, and more stringent client outcomes. Although personnel allocations in these areas have increased by 5% since FY 2011-12, additional staffing increases are needed to better align staff with the increasingly complex nature of the programs administered and the services provided.

The failure to adopt the two resolutions to approve the salary schedule and bargaining unit for the Fair Hearing Officer and Vocational Counselor, as well as the addition of the six FTE allocations, will impede the development of capacity improvements for effective and efficient service delivery.

**Requested Personnel Allocations:**

The estimated annual fully-loaded cost to the program is \$876,000, which includes one-time workstation costs and charges for existing administrative/indirect costs, such as HHSA Administration, A-87 costs, and Social Services Administration:

FTE	Position	Salary & Benefits	Fully-Loaded Costs
1.00	Staff Services Analyst I/II (Job Developer)	\$107,000	\$131,000
1.00	Vocational Counselor	\$89,000	\$160,000
1.00	Fair Hearing Officer	\$86,000	\$160,000
1.00	Eligibility System Specialist	\$83,000	\$145,000
2.00	Eligibility Worker III	\$156,000	\$280,000
<b>6.00</b>	<b>Total</b>	<b>\$521,000</b>	<b>\$876,000</b>

The **Staff Services Analyst** position will function as a job developer by working with community organizations and businesses to develop and maintain mutually beneficial work and volunteer opportunities for CalWORKs clients. The position will be responsible for reviewing and analyzing legislation, marketing, collaboration with community businesses and organizations, the development of processes, the developing of tracking tools and forms, and for advising management on programmatic and legislative changes and processes.

The **Vocational Counselor** will be essential to service delivery and the improvement of client outcomes by conducting comprehensive assessments of clients' employment readiness, and through the development of employment plans for clients receiving public assistance. To ensure clients meet the goals of the employment plan, the Vocational Counselor will work with the Employment and Training staff and with other community resource partners for housing, transportation, child-care and other necessary client services.

The **Fair Hearing Officer** will be responsible for conducting technical Administrative Disqualification Hearing processes and dual-agency hearing processes as required by the Affordable Care Act (ACA). This position was previously allocated and filled, but was eliminated in FY 2009-10 during the recent economic downturn and the workload broken apart and re-assigned to lower level staff. HHSA has determined that the higher skill set of this specialized position is again necessary to increase lower-level resolutions, decrease costly state hearings, and ensure accurate benefit issuance. The Fair Hearing Officer will represent HHSA in hearings before a State Administrative Law Judge.

The **Eligibility System Specialist** will serve as one of the main help desk resources for approximately 200 staff, including eligibility workers, screeners, managers, supervisors and administrative staff. The position provides essential troubleshooting and problem resolution functions to fix benefit issuance problems for public assistance clients, to ensure benefit issuances are not delayed. The position will train staff, investigate and resolve computer-related hardware and software issues, monitor requests for system fixes, maintain approximately 70 scanners at different sites, and will assign and maintain user access to statewide automated systems. State automated systems used by staff include C-IV, CalHEERS, MEDS, E2Lite, OCAT, and EBT.

The two **Eligibility Worker III** positions will interview applicants and determine eligibility for mandated public assistance programs with strict processing timeline mandates. This position is the advanced journey level in the Eligibility Worker class series and will manage more complex caseloads, work independently, provide lead direction and/or training to a unit of Eligibility Workers, assist with quality control, early fraud prevention and may represent the county in administrative appeals and fair hearings. These two positions, if approved, will work in the Program Integrity Unit, ensuring accurate benefit issuance, quality control, and fraud prevention.

**Background:**

**Program Services Provided**

CalFresh, Medi-Cal and CalWORKs programs provide low-income individuals and families living in the El Dorado County with:

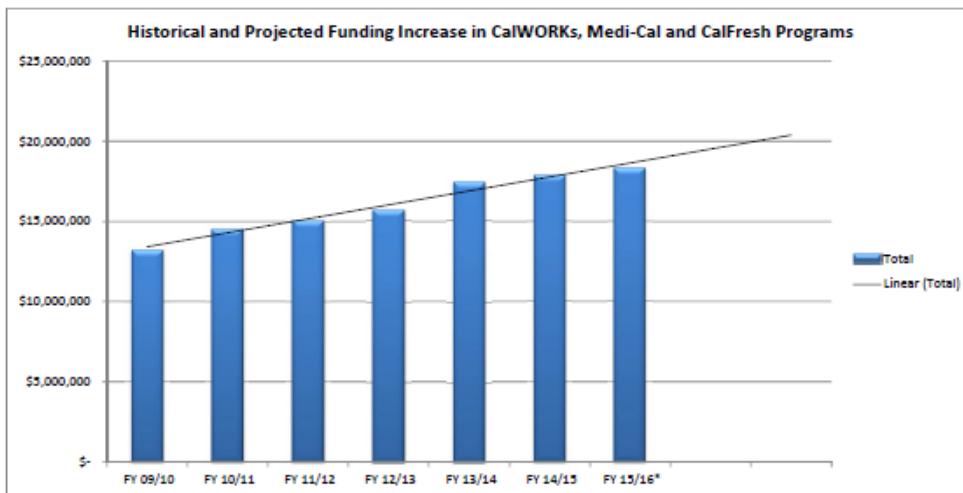
- Healthcare;
- Benefits that can be used to buy most foods at many markets and food stores;
- Time-limited cash assistance to families with children;
- Employment and training programs promoting self-sufficiency;
- Family Stabilization and supportive services (including childcare) to reduce barriers to achieving employment; and
- Referrals to community resources for services and assistance.

The services provided by these programs decrease negative human outcomes such as child maltreatment, food insecurity, homelessness, and health issues. These services also promote self-sufficiency by facilitating the identification and treatment of serious barriers to employment such as domestic violence, substance abuse, and mental illness. Investment in these programs substantially reduces the need for and cost of future services.

**Funding**

The State and Federal funding allocations for Medi-Cal, CalFresh, and CalWORKs programs have increased by approximately \$4.7 million since FY 2009-10 (Chart 1). The Governor's FY 2015-16 budget proposal indicates these funding allocations are expected to continue to increase for CalWORKs, Medi-Cal Augmentation funding for Affordable Care Act implementation, and Childcare.

Chart 1. Historical Funding Allocations

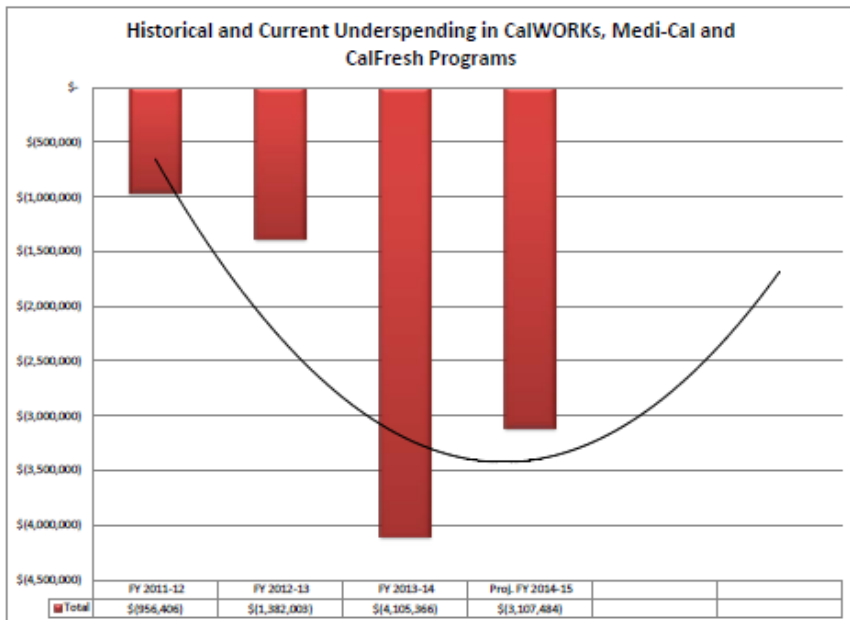


### Historical Program Under-Spending

Over the past several years, Medi-Cal, CalFresh, and CalWORKs programs have not fully utilized the funding allocations available to HHS for program administration, CalWORKs client services and eligibility determinations (Chart 2). These funding sources were underutilized in FY 2013-14 by approximately \$4.1 million.

Projected expenditures for FY 2014-15 indicate some improvements from the previous year, primarily related to improved staff retention and quicker turnover of staff once positions become vacant. Projections reflect that based on current levels of staffing and expenditures from the first two quarters, funds will continue to be underutilized by approximately \$3.1 million for the current fiscal year.

Chart 2. Historical Under-Spending of Funding Allocations

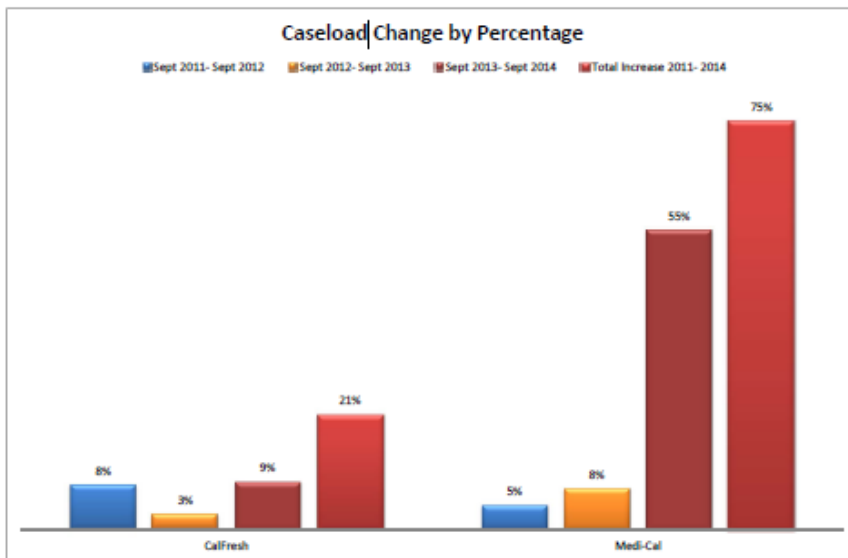


### Caseload Growth

Caseloads have increased overall by 50% since 2011, primarily in the CalFresh and Medi-Cal programs (Chart 3):

- Medi-Cal has experienced a substantial caseload increase of approximately 7,450 cases or 75%, with 55% of the growth occurring in FY 2013-14. Medi-Cal caseloads are expected to continue to increase by 10% in 2014-15 and another 2% in 2015-16, representing nearly 1 in 3 Californians.
- CalFresh caseloads have increased by approximately 1,241 cases or 21%, with 9% of the caseload growth occurring in FY 2013-14. CalFresh eligibility was expanded effective January 2014 and another 150,000 households statewide are expected to enroll by June 2015. The Governor's proposed 2015-16 budget projects a caseload increase of 8.6% over 2014-15.

Chart 3. Caseload Growth Change by Percentage



### Staffing and Caseload Levels

Current FY 2014-15 Case Worker staffing levels for Eligibility and Employment Services personnel allocations are 129.50 FTE. This is an increase of seven (7) FTE or 5% from FY 2011-12 and represents an average caseload increase of approximately 60 cases or 42% per Case Worker. Significant increases in caseloads increase the risk of slower case processing time and/or errors in the benefit issuance for clients.

### Increases in Workload

In addition to high levels of caseload growth, Medi-Cal, CalFresh, and CalWORKs programs have experienced many programmatic and legislative changes creating a significant impact to workload:

- The Affordable Care Act (ACA) implemented in October 2013 expanded Medi-Cal program eligibility and has increased regulations and requirements for program administration:
  - Increased regulations, timelines, and new service delivery requirements for assisting the public in choosing a health plan;
  - The new state CalHEERS system which adds a complicated and heavily manual workload due to CalHEERS computer system problems; and
  - A new complex dual-agency hearing process which requires HHSA to work directly with Covered California and the State Administrative Law Court to resolve public assistance beneficiary disputes regarding benefits.
- CalFresh eligibility was expanded effective January 2014 as a result of Assembly Bill (AB) 191 of 2013, to increase eligibility to households including a member who received Medi-Cal if the household's gross income does not exceed 200% of the Federal Poverty Level.
- The implementation of the Work Incentive Nutritional Supplement (WINS) in January 2014 as authorized by Senate Bill (SB) 1041 of 2012. The WINS program provides benefits for eligible CalFresh recipients meeting work hour requirements.
- State implementation of the comprehensive and in-depth Online CalWORKs Appraisal Tool (OCAT) to fulfill the statutory requirements of AB 74. This tool is anticipated to result in the effective and early assignment of CalWORKs clients to appropriate activities and supportive services with the goal of leading them to better outcomes. Expected implementation in Spring/Summer 2015.
- CalWORKs implementation of new programs and HHSA collaborative efforts, including the Subsidized Employment/Expanded Subsidized Employment program (AB 74 of 2013), the new Family Stabilization program (AB 74 of 2013), and the Linkages program's collaborative effort between CalWORKs and Child Welfare Services to help families succeed by assisting parents to achieve both greater family stability and greater economic self-sufficiency through a strong focus on prevention, intervention, and meaningful service delivery.

- HHS was informed in late 2014 that an Administrative Disqualification Hearing process must be implemented to pursue sanction penalties for recipients who have allegedly intentionally provided false information to qualify for cash or food assistance, to avoid a decrease in benefits, or to cause an increase in benefits.
- Assembly Bill 1468 of 2014 changes CalWORKs and CalFresh eligibility regulations in 2015 by repealing the lifetime ban on individuals with a prior felony drug conviction.

### CalWORKs Work Participation Rate

Federal law governing the CalWORKs program requires that states meet a Work Performance Rate (WPR) of 50% for all families receiving assistance, as adjusted if they reduce their welfare caseloads. The State of California is not currently meeting these requirements and is in a Corrective Compliance Plan, which has stimulated new programs and more comprehensive processes.

El Dorado County's WPR currently falls below the target WPR (Chart 4) and HHS has determined specialized staff positions are required to appropriately assess and develop client vocational skills and to work with the community to develop and maintain mutually beneficial work and volunteer opportunities for CalWORKs client to achieve the goal of client self-sufficiency.

Chart 4. El Dorado County CalWORKs Work Participation Rate

