



FY 2021-2022 Budget Presentation
House Ways and Means Committee
Healthcare Subcommittee
January 13, 2021

Agency Attendees

- Michael Leach – Agency Director
- Susan Roben – Chief Financial Officer
- Connelly-Anne Ragley – Legislative Liaison

Overarching Framework for the Request

- Provides for adequate Child Welfare transformation efforts, including funding necessary to meet milestones required to comply with the Michelle H. Lawsuit Final Settlement Agreement.
- Updates board payment rates for foster families and congregate care facilities caring for South Carolina's foster care population.
- Provides replacement funding by offsetting declines in federal entitlement grant funding and state general funds, and unfunded cost increases over the last 5 fiscal years.
- Ensures basic needs are met for South Carolina families, and vulnerable adults can be safely cared for in their communities.

Overall Budget Request

- Grand Total Budget Request \$ 145,460,273
- State Recurring General Funds \$ 84,373,147
- State Non-Recurring General Funds \$ 31,713,430
- Federal Recurring Authorization \$ 23,339,354
- Federal Non-Recurring Authorization \$ 6,034,342

Recurring Budget Request

Priority #1 – Caring for South Carolina’s Children

- Total Request - \$88,468,657; 277 FTE’s
 - General Funds - \$67,790,002; 213.17 FTE’s
 - Federal Authorization - \$20,678,655; 63.83 FTE’s
- Funding requested in this decision package ties directly to the specific activities and milestones necessary to transform the system and make it a standard of best practice in child welfare. To ensure children are safe and families are strengthened, DSS is undergoing significant child welfare transformation efforts. This includes outcomes set forth in implementation plans approved in early 2019 under the Michelle H. class action lawsuit final settlement agreement.

Recurring Budget Request

Priority #2 – Annualization for Title IV-E Entitlement Erosion and Unfunded Cost Increases

- \$9M in recurring General Funds, and the related \$18M in non-recurring General Funds will be used to restore funding for existing positions in Child Welfare, Economic Services and Adult Protective Services program areas.
- Decline in IV-E eligibility from FFY 2015 through FFY 2020 represents an unbudgeted cumulative loss of approximately \$79M.
- If approved, will offset the actual annual losses in TANF and state funding, allowing those fund sources and supported programs to operate within their respective budgets, avoiding TANF running a deficit in the state's accounting records, and providing financial flexibility for program improvements and enhancements.

Recurring Budget Request

Priority #3 – Improving the Quality of Life and Safety for Adults in SC

- Total Request - \$7,917,621; 58 FTE's
 - General Funds – \$6,118,644; 38.80 FTE's
 - Federal Authorization – \$1,798,977; 19.20 FTE's
 - Adult Protective Services:
 - General Funds – \$ 4,819,111; 23.97 FTE's
 - Total Funds – \$ 5,599,099; 31.00 FTE's
 - Economic Services:
 - General Funds – \$1,315,407; 14.83 FTE's
 - Total Funds – \$2,374,324; 27.00 FTE's

Recurring Budget Request

Priority #4 – Technology Infrastructure

	<u>General Funds</u>	<u>Total Funds</u>
• Upgrade to Microsoft E5	\$ 646,700	\$1,000,000
• Upgrade to Microsoft Unified Advanced Support	\$ 19,401	\$ 30,000
• OnBase Enterprise System	\$ 186,250	\$ 288,000
• Cybersecurity Liability Insurance	\$ 32,335	\$ 50,000
• Software for Contract Attorney Billing	\$ 10,920	\$ 14,000
• Staffing for System Administration	\$ 568,895	\$ 944,223

Non-Recurring Budget Request

Priority #5 – Infrastructure Integrity

	<u>General Funds</u>	<u>Total Funds</u>
• IT Improvements/Requirements	\$ 1,998,634	\$ 2,724,640
• Federal Title IV-E Entitlement Loss	\$18,000,000	\$18,000,000
• Economic Svcs. System Modernization	\$ 5,100,000	\$10,200,000
• Family Court Case Management System	\$ 5,982,332	\$ 5,982,332
• Policy Development and CQI Staff	\$ 317,240	\$ 490,552
• Staff Development and Training Staff	\$ 315,223	\$ 350,248

Impact if Not Funded

- If additional funding is not approved, the agency will not be able to effectively ensure the safety and well-being of South Carolina's children. This will also inhibit the ability of the agency to meet the basic needs of children, families and vulnerable adults.
- Our case managers, supervisors and related staff across the agency will continue to be overworked and underpaid. This negatively affects employee retention which leads to a less experienced and ill-equipped workforce.
- The agency will not be able to make sure children receive needed medical care or address child trauma through behavioral health services.
- Agency transformation efforts would stall, significantly delaying time to exiting the Michelle H. lawsuit, and increasing costs to taxpayers.