

**DEPARTMENT OF ECONOMIC SECURITY -
AGING & COMMUNITY SERVICES**

A.R.S. § 41-1951

General Fund and Other Appropriated Funds	FY 1998 Actual	FY 1999 Estimate	FY 2000 Approved	FY 2001 Approved
FTE Positions	89.6	93.1	93.1	93.1
Personal Services	2,943,000	3,583,100	3,714,300	3,788,600
Employee Related Expenditures	641,000	739,700	736,500	766,600
Professional and Outside Services	5,300	49,000	49,000	49,000
Travel - In State	132,300	169,000	169,000	169,000
Other Operating Expenditures	219,300	488,400	475,300	475,300
Equipment	12,000	43,700	10,400	10,400
Operating Subtotal	3,952,900	5,072,900	5,154,500	5,258,900
Adult Services	8,659,400	9,199,700	9,672,300 ^{1/}	9,711,800 ^{1/}
Long-Term Care Ombudsman	114,700	359,500	359,500	359,500
Respite Care	170,200	435,000	0	0
Community and Emergency Services	2,784,700	5,183,800	5,183,800	5,183,800
Coordinated Hunger Program	1,002,600	1,286,600	1,286,600	1,286,600
Coordinated Homeless Program	1,904,100	2,738,600	2,738,600	2,738,600
Domestic Violence Prevention	3,286,400	4,532,900	4,832,900	4,832,900
Information and Referral	115,400	115,400	115,400 ^{2/}	115,400 ^{2/}
Total	21,990,400	28,924,400	29,343,600	29,487,500
Additional Appropriations -				
Assistance Services Programs;				
Appropriation, Ch. 328	0	0	500,000	500,000
Appropriation; Domestic Violence				
Shelter Programs, Ch. 182	0	0	800,000	800,000
Total Appropriations	21,990,400	28,924,400	30,643,600^{3/}	30,787,500^{3/}
Fund Summary				
General Fund	16,863,000	19,545,700	20,760,600	20,899,800
Federal Temporary Assistance for				
Needy Families Block Grant	4,031,100	7,869,600	8,373,900	8,378,600
Domestic Violence Shelter Fund	1,096,300	1,509,100 ^{4/}	1,509,100 ^{5/}	1,509,100 ^{5/}
Total Appropriations	21,990,400	28,924,400	30,643,600	30,787,500

^{1/} It is the intent of the Legislature that a state General Fund amount of \$250,000 in Adult Services be matched with \$250,000 from the federal Social Services Block Grant for non medical and community based services. (General Appropriation Act footnote)

^{2/} It is the intent of the Legislature that the \$115,400 appropriated in FY 2000 and FY 2001 for Information and Referral Services shall be used to fund services in each city of this state with a population of more than 250,000 persons according to the most recent United States decennial or special census. (General Appropriation Act footnote)

^{3/} General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items for the Program.

^{4/} All Domestic Violence Shelter Fund monies above \$1,509,100 received by the Department of Economic Security are appropriated for the Domestic Violence Prevention Special Line Item. The Department of Economic Security shall report the intended use of monies above \$1,509,100 to the Joint Legislative Budget Committee. (General Appropriation Act footnote, as added by Laws 1999, Chapter 6, 1st Special Session)

^{5/} All Domestic Violence Shelter Fund monies above \$1,509,100 received by the Department of Economic Security in FY 2000 or in FY 2001 are appropriated for the Domestic Violence Prevention Special Line Item. The Department of Economic Security shall report the intended use of the monies above \$1,509,100 in FY 2000 and FY 2001 to the Joint Legislative Budget Committee. (General Appropriation Act footnote)

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Program Description — *The program provides alternatives to institutional care for the elderly and physically disabled through a range of non-medical home and community-based services. It includes statewide programs of advocacy, social services, nutrition services, program development services, adult protective services, nursing home ombudsman services, volunteer services, and employment opportunities.*

The program also provides for an array of services primarily through contracts with community-based organizations, in the following programmatic areas: social services community action; food and nutritional assistance to persons and families in hunger-related crises; a variety of services for homeless persons and families; emergency services networks; refugee resettlement, including medical assistance; domestic violence victim assistance; and utility assistance.

Technical Issues — The approved amount reflects an FY 2000 reduction of \$(37,800) from the General Fund (GF) to eliminate one-time costs for equipment and Other Operating Expenditures authorized by Laws 1998, Chapter 161. The legislation appropriated \$698,400 GF and 4 FTE Positions for expanding the operation of an information and referral phone line from 8 to 24 hours a day and from 5 to 7 days a week for reporting abuse of vulnerable adults. The approved budget continues the appropriation and FTE Positions in FY 2000 and FY 2001, except for eliminating the one-time costs discussed above. The monies and new FTE Positions are reflected in the operating budget where other funding for the normal work hour operation is found.

Adult Services — The funds in the Adult Services Special Line Item provide for a community-based continuum of care and services for abused, neglected, and exploited adults. The services provided are based upon a person's ability to perform activities of daily living, family support, and financial status. In addition to state GF monies, the Department of Economic Security (DES) receives federal dollars from Title III and Title XX Social Services Block Grants (SSBG). The approved amounts are the same for FY 2000 and FY 2001 except for a slight difference in Older Americans Act funding. The approved amount for each fiscal year is distributed as follows:

- **Adult Protective Contracted Services** — Provides \$176,100 GF for services to elderly people who are abused or neglected.
- **Supplemental Payments** — Provides \$2,156,300 GF for a continuation of care and services, such as housekeeper, home health aide, and visiting nurse services, for Supplemental Security Income (SSI)-eligible households. DES provides services to their clientele based upon severity of need. Program costs are borne fully by the state. Any funds not expended on SSI recipients may be reallocated to pay for housekeeper, home health aide, and visiting nurse services provided to non-SSI recipients who are eligible for the Home Care services component of the Adult Services Special Line Item. The SSI-eligible population receiving Supplemental Payment services will continue to be the priority target group. The following reflects FY 2000 and FY 2001 caseload estimates.

	<u>Average # of Monthly Clients</u>	<u>Average Monthly Cost</u>
Home Health Aide	233	\$92.12
Housekeeping Payments	2,455	59.86
Visiting Nurse	172	65.66

- **Home Care** — Provides \$4,510,500 GF for supplemental payment services, plus personal care to non-SSI recipients who are disabled or elderly and do not qualify for the federal Medicaid Arizona Long Term Care System. Another \$3,030,200 will be provided by non-appropriated federal and local contributions. Included in the \$3,030,200 is \$250,000 from federal SSBG, as required by a General Appropriation Act footnote (*see footnote 1*). The appropriation will fund an average of 50 hours of services for 8,898 individuals at an average cost of \$16.96 per hour.
- **Older Americans Act** — Reflects an increase of \$37,600 GF in FY 2000 to draw down an additional \$501,700 in federal Older Americans Act (OAA) funding. The approved FY 2001 amount includes a further increase of \$39,500 GF in the state match to draw down an additional \$526,900 in federal OAA funding, for a total of \$1,028,600 over the 2 years. The GF increase over the 2-year period will bring the OAA state match to \$974,500 annually to draw down \$10,985,700 in federal OAA funds. The state and Federal Funds are for congregate and home-delivered meals, as well as other social services. Other funding sources include local contributions of \$24,670,500 in FY 2000 and \$24,328,500 in FY 2001.
- **Assessments and Case Management** — Provides \$1,359,400 GF through contracted agencies to assess the service needs of the person by measuring ability to perform activities of daily living, family support, and financial status. A contracted case manager assists the client in matching needs to available resources. The approved amount will provide case management services to an average monthly caseload of 11,515 persons. Each person averages 12 hours of service at an estimated cost of \$34.31 per hour. In addition to the state share, an additional \$3,381,700 is provided through federal and local contributions.

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- **Program Development** — Provides \$100,000 GF for the state's 8 Area Agencies on Aging for support services, senior centers, and nutrition services.
- **Respite Care** — Includes \$435,000 GF that is transferred from the Respite Care Special Line Item to this line item. (*See Respite Care in this cost center for more information.*)

Long-Term Care (LTC) Ombudsman — The approved amount of \$359,500 GF for each fiscal year funds local agency staff for adults in long-term care settings. No state FTE Positions are funded from this Special Line Item. The Office of State Long-Term Care Ombudsman was established during FY1990 in accordance with the requirements of the federal Older Americans Act. Funds in this Special Line Item are used for the administrative cost of the office.

Respite Care — The approved budget reflects the elimination of the Respite Care Special Line Item and the transfer of funding totaling \$435,000 GF in this cost center from the Respite Care Special Line Item to the Adult Services Special Line Item starting in FY 2000. The monies will continue to be used for providing services that prevent premature institutionalization by giving relief to care givers of the elderly. This service closely aligns with services provided in the Adult Services Special Line Item.

Community and Emergency Services — Funds in this Special Line are for 2 different activities. These activities for each FY 2000 and FY 2001 consist of:

- \$983,500 GF and \$355,600 Temporary Assistance for Needy Families (TANF) for Emergency Assistance, which provides aid to low-income households in need of temporary financial assistance to address utility, shelter, repair or special need emergencies.
- \$3,844,700 TANF for Community Action Services, which provides financial and technical assistance for local communities to identify priority problems and needs of individuals in poverty. The amount for this activity was increased in FY 1999 due to Laws 1998, Chapter 208. The legislation appropriated an additional \$3,700,000 from TANF for emergency services, of which \$2,200,000 is reflected in this Special Line Item for this activity.

In addition to the appropriated dollars, each activity receives non-appropriated dollars from federal and other funds. DES estimates receiving \$357,400 from the federal Social Services Block Grant for Emergency Assistance. Another \$4,508,900 from the federal Community Services Block Grant and \$1,233,000 from the federal SSBG is anticipated for Community Action Services.

Also, Laws 1999 Chapter 328 appropriated an additional \$500,000 TANF in each FY 2000 and FY 2001 for short-term crisis services. (*See Additional Appropriations in this narrative for more information.*)

In prior years, funding of \$100,000 from TANF was used for Utility Assistance, which helps pay utility deposits and repairs or replacements of appliances for low-income households. The department revised its FY 1999 budget to discontinue use of TANF funds. Instead, funding for this activity is entirely from non-appropriated sources. It is anticipated that \$4,297,500 from the federal Low Income Home Energy Assistance program and \$640,000 from Other Non-Appropriated Funds is available for Utility Assistance.

Coordinated Hunger Program — The approved budget for each FY 2000 and FY 2001 reflects GF funding for 2 subprograms: the Rural Food Bank Project, \$1,086,600, and the Food Bank Assistance Project, \$200,000. The \$200,000 in funding for the Food Bank Assistance Project was first authorized due to passage of Laws 1998, Chapter 208. The legislation appropriated \$125,000 for a grant program established by the new legislation for welfare and low-income food bank assistance. There is a 25% match requirement for the monies that must be matched using private sector dollars. The remaining appropriation of \$75,000 is for welfare and low income food bank assistance programs targeted to community groups and organizations that build food security at the community level. These monies also must be matched by 25% from private sector dollars. Grant amounts cannot exceed \$25,000 to any community group or organization.

The subprograms in this Special Line Item receive additional dollars from non-appropriated federal sources: Food Stamp Outreach, \$28,500; Community Services Block Grant, \$33,300; SSBG, \$318,900; and Temporary Emergency Food Assistance Program, \$627,900.

Coordinated Homeless Program — The program reflects the entire department's homeless planning and coordination activities, and the contracting of funds to community-based organizations providing services for the homeless and near homeless. The approved amount for FY 2000 and FY 2001 continues the FY 1999 level of funding. Funding for this program was increased in FY 1999 due to Laws 1998, Chapter 208. Of \$3,700,000 appropriated by Chapter 208 from TANF for emergency services, \$750,000 is reflected in this Special Line Item for this activity. In addition, another \$833,200 from TANF is reflected in this line item along with \$1,155,400 from GF. This program also receives other non-appropriated dollars. These other non-appropriated dollars include the following federal dollars: Housing and Urban Development's Emergency Shelter Grant, \$618,300, and SSBG, \$544,400.

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Another \$45,000 is provided through the non-appropriated Homeless Trust Fund.

Domestic Violence Prevention — The approved FY 2000 budget reflects an increase of \$300,000 GF in this Special Line Item. This amount is continued in FY 2001. The approved amount also continues funding first authorized by Laws 1998, Chapter 208. Of \$3,700,000 appropriated by Chapter 208 from TANF for emergency services, \$750,000 is reflected in this Special Line Item for this activity. In addition to the above amounts, Laws 1999 Chapter 182 appropriated an additional \$800,000 GF in each FY 2000 and FY 2001 for domestic violence. (*See Additional Appropriations in this narrative for more information.*)

This program consists of providing shelter and supportive services to domestic violence victims and promoting awareness and prevention. This program is funded through both appropriated state GF, \$1,457,900; federal TANF Block Grant, \$1,865,900; and the Domestic Violence Shelter Fund, \$1,509,100. In addition, non-appropriated federal dollars are utilized for these services: Housing and Urban Development Emergency Shelter Grant, \$82,800, and SSBG, \$667,100.

For FY 1999, a supplemental appropriation of \$112,800 was approved from the Domestic Violence Shelter Fund. Receipts to the fund, mostly from marriage and divorce fees, are \$1,509,100 rather than the originally anticipated amount of \$1,396,300. If case revenues exceed the expected \$1,509,100 amount, a footnote was added to the appropriations bill to allow the department to use all unanticipated revenues as long as the intended use is reported the Joint Legislative Budget Committee.

Information and Referral — The approved amount of \$115,400 GF in each FY 2000 and FY 2001 provides information and referral services on a 24-hour toll-free, statewide telephone system. This system serves all individuals requesting specific information regarding available resources.

Additional Appropriations: Appropriation: Domestic Violence Shelter Programs (Chapter 182) — Appropriates non-lapsing funds of \$800,000 GF in each FY 2000 and FY 2001 for domestic violence programs that meet 3 priorities outlined in the legislation. The priorities are to:

- Create a funding base for all emergency residential programs for domestic violence victims and their children;
- Fund programs that are currently not funded by the Department of Economic Security; and
- Fund programs that increase bed space in areas with large under served populations.

Assistance Services Programs: Appropriation (Chapter 328) — Adds \$500,000 from TANF in each FY 2000 and FY 2001 for this division. The \$500,000 in each fiscal year is non-lapsing and is for unspecified short-term crisis services.