



Jeffrey A. Meyers
Commissioner

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
HUMAN SERVICES AND BEHAVIORAL HEALTH
DIVISION OF ECONOMIC & HOUSING STABILITY

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January 17, 2019

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301


Approved by Fiscal Committee 2/8/19
Date

REQUESTED ACTION

Pursuant to the provisions of RSA 14:30-a, VI, Additional Revenues, authorize the Department of Health and Human Services, Division of Family Assistance to accept and expend federal funds in the amount of \$11,111,100 from the Temporary Assistance To Needy Families (TANF) program, effective upon approval by the Fiscal Committee and Governor and Council through June 30, 2019, and further authorize the allocation of these funds in the accounts below. 100% Federal Funds.

05-95-045-450010-6146 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF FAMILY ASSISTANCE, TEMP ASSISTNC TO NEEDY FAMILY

Class/Object	Class Title	Current Authorized Budget	Requested Change	Adjusted Budget
Revenue				
000-403982	Federal Funds	\$ 18,074,617	\$ 7,007,000	\$ 25,081,617
009-407095	Agency Income	\$ 2,800,000	\$ -	\$ 2,800,000
	General Funds	\$ 6,874,063	\$ -	\$ 6,874,063
	Total Revenue:	\$ 27,748,680	\$ 7,007,000	\$ 34,755,680
Expense				
041-500801	Audit Fund Set Aside	\$ 15,357	\$ 7,000	\$ 22,357
501-500425	Payments to Clients	\$ 22,913,868	\$ 7,000,000	\$ 29,913,868
502-500891	Payments to Providers	\$ 4,044,963	\$ -	\$ 4,044,963
538-500380	Emergency Assistance	\$ 774,492	\$ -	\$ 774,492
	Total Expense:	\$ 27,748,680	\$ 7,007,000	\$ 34,755,680

**05-95-42-421010-29580000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS
 DEPT OF, HHS: HUMAN SERVICES, CHILD PROTECTION, CHILD - FAMILY SERVICES**

Class/Object	Class Title	Current Authorized Budget	Requested Change	Adjusted Budget
Revenue				
000-404230	Federal Funds	\$ 28,751,369	\$ -	\$ 28,751,369
000-403982	Federal Funds	\$ -	\$ 4,104,100	\$ 4,104,100
	General Funds	\$ 29,225,061	\$ -	\$ 29,225,061
Total Revenue:		\$ 57,976,430	\$ 4,104,100	\$ 62,080,530
Expense				
041-500801	AUDIT FUND SET ASIDE	\$ 22,495	\$ 4,100	\$ 26,595
049-500294	TRANSFER TO OTHER STATE AGEN	\$ 3,930		\$ 3,930
101-500729	MEDICAL PAYMENTS TO PROVIDER	\$ 18,084		\$ 18,084
108-500751	PROVIDER PAYMENTS LEGAL SERV	\$ 141,488		\$ 141,488
533-500373	FOSTER CARE SERVICES	\$ 70,000		\$ 70,000
534-500375	ADOPTION SERVICES	\$ 1		\$ 1
535-500376	OUT OF HOME PLACEMENTS	\$ 26,980,088		\$ 26,980,088
550-500398	ASSESSMENT AND COUNSELING	\$ 1		\$ 1
563-500915	COMMUNITY BASED SERVICES	\$ 5,380,000		\$ 5,380,000
636-504180	IVEFOSPLA FOSTER C PLACEMENT	\$ 4,637,720		\$ 4,637,720
637-504181	IVEFOSSER FOSTER C SERVICE	\$ 779,092		\$ 779,092
638-504182	IVEFOSOTH FOSTER C OTHER	\$ 112,500		\$ 112,500
639-504184	IVATANPLA TANF E A PLACEMENT	\$ 4,820,166	\$ 4,100,000	\$ 8,920,166
640-504185	IVATANSER TANF E A SERVICE	\$ 1,617,843		\$ 1,617,843
641-504186	IVATANOOTH TANF E A OTHER	\$ 1		\$ 1
642-504187	IVATANMOE TANF MOE	\$ 367,356		\$ 367,356
643-504191	SGFPLA SGF PLACEMENT	\$ 6,393,090		\$ 6,393,090
644-504195	SGFSER SGF SERVICES	\$ 2,307,429		\$ 2,307,429
646-504006	IVEADOPLA ADOPTION PLACEMENT	\$ 4,187,646		\$ 4,187,646
647-504007	IVEADOSER ADOPTION SERVICES	\$ 25,000		\$ 25,000
648-504015	IVEADOADM ADOPTION ADMIN	\$ 112,500	\$ -	\$ 112,500
Total Expense:		\$ 57,976,430	\$ 4,104,100	\$ 62,080,530

EXPLANATION

The Department of Health and Human Services (DHHS) manages the Temporary Assistance to Needy Families (TANF) program, which is funded annually by federal (TANF) block grant funds. The TANF block grant, which this year is \$38,394,141, has a maintenance of effort (MOE) requirement of \$32,115,100. The current budget anticipates State MOE at the minimum level necessary to retain the federal funds and avoid penalties that are imposed for failure to meet the MOE. Transfer of TANF for cash assistance in Division of Economic and Housing Stability (DEHS) and services in Division of

Children, Youth and Families (DCYF), as explained below, is needed to continue to provide essential services.

Since the recession of 2008, TANF caseloads had steadily declined as reported on the Department's monthly dashboard. As part of the FY 2018-19 budget, the legislature at the recommendation of DHHS, increased the monthly cash benefits to 60% of the federal poverty level - the first increase in the benefit for cost of living adjustment in nearly 20 years. For the current biennium, the Department had anticipated that the average monthly caseload would become 2,301; however, the average monthly caseload is 3,320 as of December 31, 2018 or 44.29% higher than was budgeted. The average monthly grant amount was anticipated to be \$721.20 but is actually \$728.16 or 7.56% higher. The Point in Time monthly grant has fluctuated month to month so it is difficult to know if the average will increase further.

This request is also being made to accept additional TANF funds available for SFY 2019 to cover the increased costs around placements provided to abuse and neglect clients, to keep children safe in their own homes whenever possible and assist families in the protection, development, permanency, and well-being of their children. Children and families involved with DCYF due to abuse and neglect concerns need both core and intensive supportive services. Both are essential in order to assure child safety and increase positive outcomes for children and families in their homes and communities. While there are less youth eligible for IV-A, the residential providers were given rate increases to existing programs. New residential programs are available at a higher cost than existing programs which has led to a rise in the costs claimed to TANF. Funds are being budgeted in 042-29580000 IV- A TANF Placements (Class 639) to cover the 46% over the current budget to cover the increase in placement costs. The Department has increased claiming TANF Funds for dual eligible children.

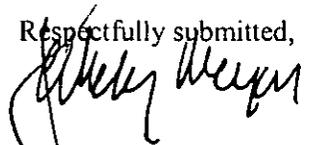
Funds are being budgeted in Audit Fund Set Aside (Class 041) as required in both accounting units.

In response to the anticipated two-part question, "Can these funds be used to offset General Funds?" and "What is the compelling reason for not offsetting General Funds?" the Division offers the following information: These funds may not be used to offset General Funds. General funds are required to meet the annual maintenance of effort for the TANF program.

Area served: Statewide

Source of funds: These funds are 100% Federal from the Temporary Assistance to Needy Families program.

Respectfully submitted,



Jeffery A. Meyers
Commissioner