

MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Human Services Division

TO: Honorable Board of Supervisors

FROM: Richard J. Burton, M.D., M.P.H.
Placer County Health Officer and Director of Health & Human Services
Cheryl S. Davis, Human Services Director

DATE: January 8, 2013

SUBJECT: Mid-year Budget Revision to Recognize Increased Revenue in Human Services

ACTION REQUESTED:

Approve the attached budget revision for the remainder of FY 2012-13 to increase revenues and appropriations for the Medi-Cal program in the amount of \$396,000 and for the CalFresh program in the amount of \$1,238,046. No County General Fund match is required to receive and utilize these Medi-Cal and CalFresh funds.

BACKGROUND:

With the economic downturn, the demand for medical and food assistance has been dramatic. While many families in Placer County received unemployment benefits, they still needed our help to provide health care coverage and food and nutrition assistance for their children. From July through November 2012, we have processed over 4,500 applications for CalFresh, the same amount we processed in the entire year prior to the beginning of the recession. Human Services has implemented innovative technological solutions such as the call center and has been using extra help staff to meet the increased demand.

Additionally, beginning January 1, 2013, through a change enacted by the State legislature, all children who otherwise would have received healthcare coverage under the Healthy Families program will now be eligible for Medi-Cal. We are expected to receive an additional 270 applications each month and transition over 5,000 existing children to Medi-Cal. The additional Medi-Cal revenue is a mid-year augmentation to our annual State allocation, recognizing the increased workload associated with the Healthy Families transition.

The Department has made concerted, ongoing efforts to maximize Federal and State revenues for these mandated services to offset what could have been increased County costs to meet the needs of Placer County residents. As a result of those efforts, Human Services' reliance on General Fund has decreased from 5 percent of our budget in FY 2009-10 to 0.76 percent in FY 2011-12. While the additional CalFresh and Medi-Cal revenue will fund salary costs and administration, there is also a County economic impact from the increased revenue and service dollars. Almost \$2 million monthly will be infused in the local medical care community along with the \$2.5 million spent monthly on food purchases at local grocery stores and farmers markets. The Economic Research Center estimates the economic multiplier of these service dollars equals approximately \$8 million in economic growth in Placer County. And finally, as parents seek and find employment, this medical and food assistance provides the necessary additional support to successfully re-enter the workforce, especially if at reduced salaries or hours.

FISCAL IMPACT:

These funds are not included in the Department's FY 2012-13 Budget. The attached budget revision in the amount of \$1,634,046 increases revenues and appropriations in Human Services. No County General Fund match is required to receive and utilize these Medi-Cal and CalFresh funds.

BUDGET REVISION

POST DATE:

DEPT NO.	DOC TYPE	Total \$ Amount	TOTAL LINES
14	BR	3,268,092.00	10

Cash Transfer Required

Reserve Cancellation Required

Establish Reserve Required

MW Auditor-Controller

County Executive

Board of Supervisors

ESTIMATED REVENUE ADJUSTMENT										APPROPRIATION ADJUSTMENT											
DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT	DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT
14	006		100		530730	60700	7160			1,238,046	14	014		100		530730	60700	1002			536,500
14	006		100		530730	60700	7145			198,000	14	014		100		530730	60700	1300			142,574
14	006		100		530730	60700	7182			198,000	14	014		100		530730	60700	1301			47,100
											14	014		100		530730	60700	1303			112,192
											14	014		100		530730	60700	1304			595,840
											14	014		100		530730	60700	1310			185,760
											14	014		100		530730	60700	1315			14,080
TOTAL										1,634,046	TOTAL										1,634,046

REASON FOR REVISION: Increase appropriation for additional revenues in CalFresh and Medi-Cal to reflect current funding levels. In addition, increase salary and benefit cost to reflect additional staffing.

Prepared by Brian Rupperecht Ext 3193
 Department Head [Signature]
 Board of Supervisors _____

Date: 12/20/12
 Page: _____

Budget Revision # _____ FOR INDIVIDUAL DEPT USE

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