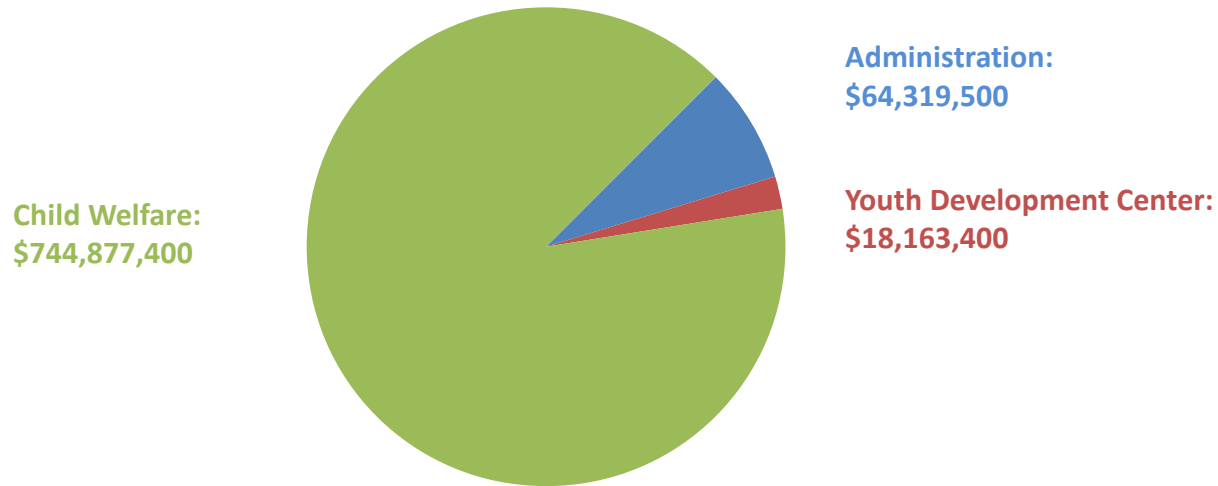


# Department of Children's Services

Budget Request FY 2019-2020

# About the Department

## FY 2020 Base Budget



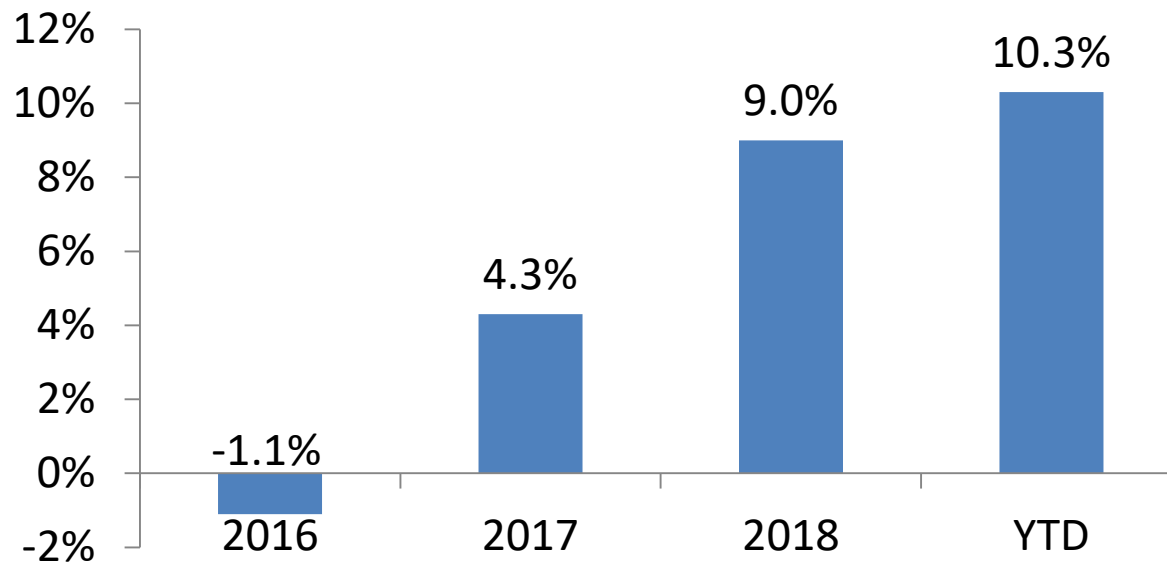
- Facilitate the adoption of children in the state of Tennessee.
- Administer a foster care system for children and provide appropriate treatment for children in court ordered custody, with the goal of helping the children become healthy and successful adults.
- Operate a Youth Development Center (John S. Wilder) and utilize contract services for the care of children in custody.

# Services for Children in Foster Care

Two requests:

1. \$5,000,000 supplemental in FY19
2. \$5,000,000 recurring cost increase for FY20

**Cumulative Change in Kids in Foster Care Since 2015**

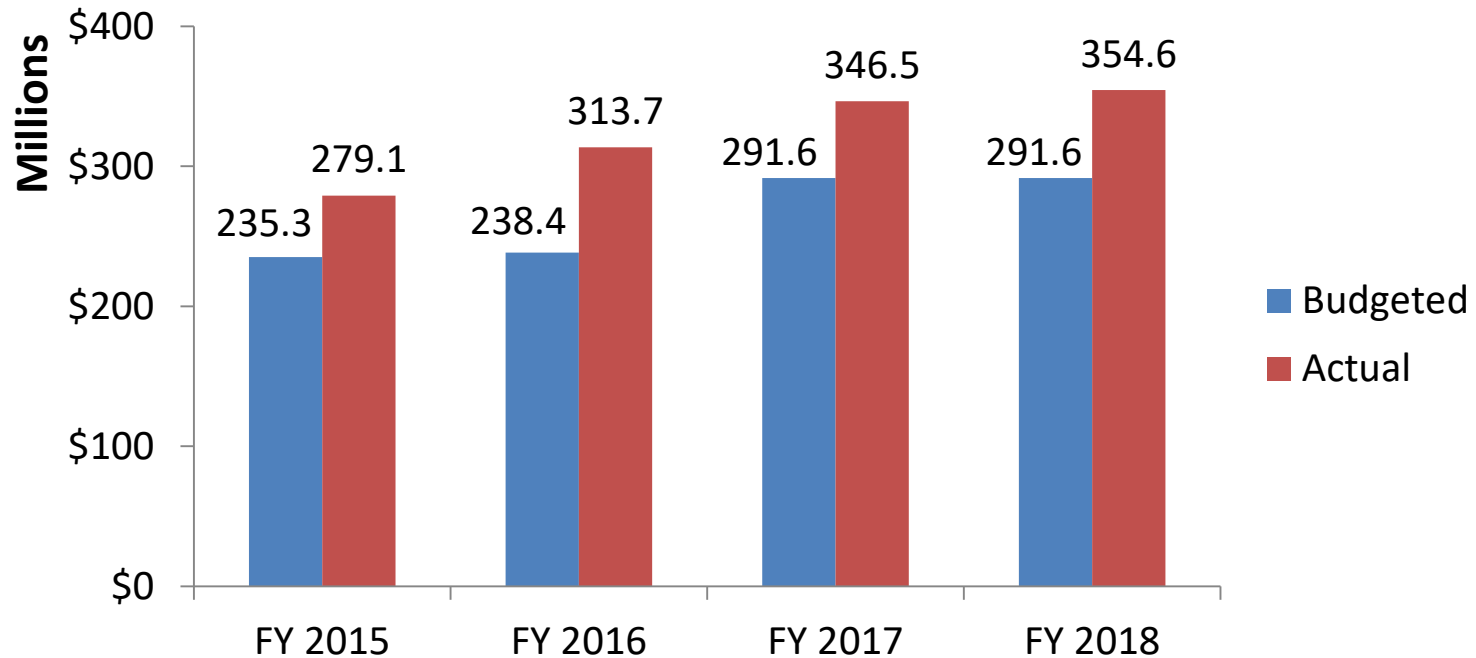


# Increase Funding for Case Management Services

**Requesting \$22,160,000 state appropriations for TennCare.**

- TennCare would receive \$22,160,000 state appropriations with which they would draw down an additional \$41,840,000 in federal funding.
- TennCare pays DCS for targeted case management services of children in custody that are eligible for federal funds.

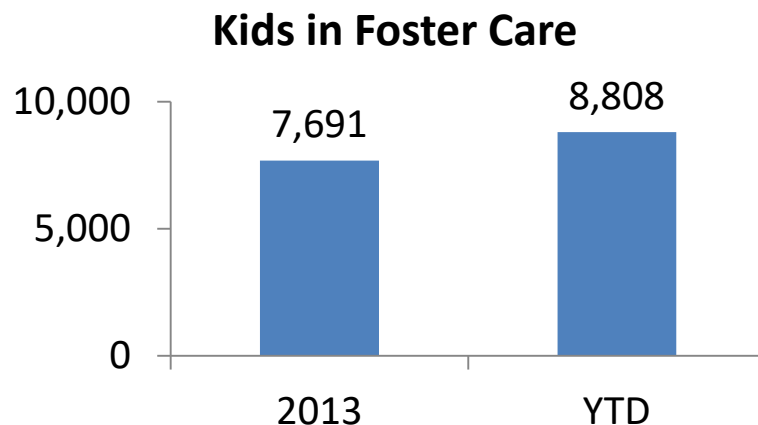
**History of TennCare Revenue for DCS**



# Reduction of Federal Revenue for DCS

## Requesting \$15 million to replace federal revenue due to change in federal policy.

- Since 2013, DCS has operated under a federal waiver from certain foster care requirements.
- That waiver program will expire in 2019, and new waivers will no longer be approved.
- The waiver freed up \$15,000,000 in state appropriations that DCS was able to use to help pay for treating 1,100 additional kids and for additional treatment programs.
- Without replacing the lost federal revenue, DCS will have to cease the treatment programs and will not be able to pay for all of the kids in foster care.
- In addition to the waiver program ending, by October of 2021, all states will be required to meet new foster care standards enacted by the Families First legislation passed in February 2018.
- DCS will begin a county level pilot program to move towards these new federal standards.

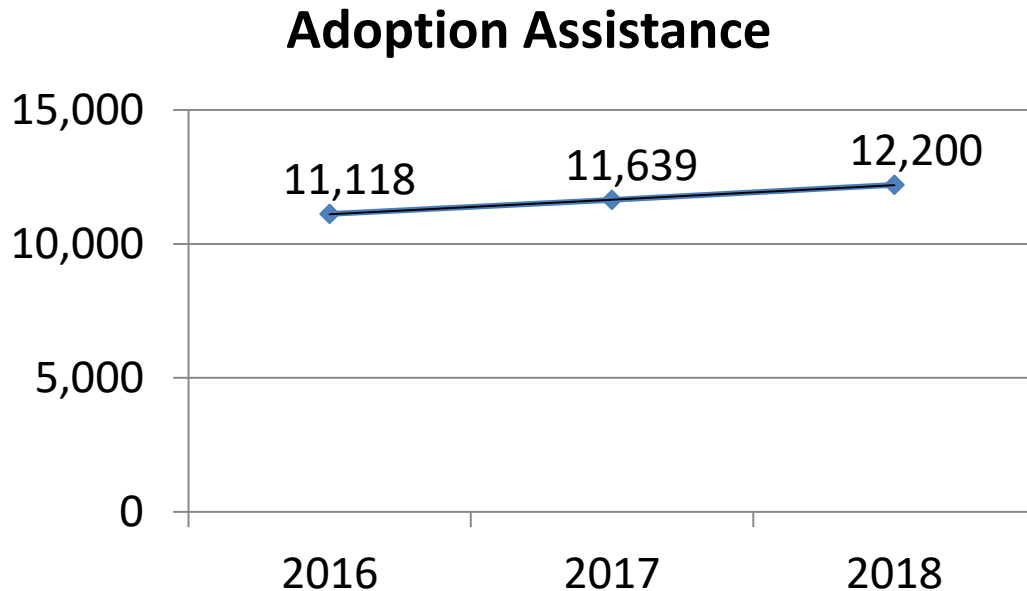


- The number of kids in foster care has grown by 14.5% since 2013, the beginning of the federal waiver.
- With the loss of the federal revenue, DCS will be unable to pay for the treatment of the kids added since 2013.

# Growth in Adoption Assistance Programs

Requesting \$1,711,700 to cover growth in the number of kids being adopted and coming under legal guardianship.

## Children Enrolled in Adoption Assistance Programs



- This chart includes children in the Adoption Assistance and the Subsidized Permanent Guardianship programs.
- This represents 9.73% growth in enrollment since 2016.

# Cost Increases

		Total	State	Federal	Other	Positions
1.	Custody Services Growth	\$5,000,000	\$5,000,000	\$0	\$0	0
2.	Loss of Federal Foster Care (IV-E Waiver) Revenue	0	15,000,000	(15,000,000)	0	0
3.	Adoption Assistance Growth	3,976,100	1,590,400	2,385,700	0	0
4.	Safe Baby Courts	500,000	500,000	0	0	0
5.	Subsidized Permanent Guardianship Growth	303,200	121,300	181,900	0	0
6.	Teacher Training and Experience	11,800	11,800	0	0	0

# Cost Increases

		Total	State	Federal	Other	Positions
7.	TennCare Revenue Increase	\$64,000,000	\$0	\$0	\$64,000,000	0
8.	FMAP Adjustment	0	734,500	(734,500)	0	0
9.	TEIS Program Growth	5,029,000	3,017,400	0	2,011,600	0
	<b>Total Cost Increases</b>	<b>\$78,820,100</b>	<b>\$25,975,400</b>	<b>(\$13,166,900)</b>	<b>\$66,011,600</b>	<b>0</b>



# Savings Plan

		Total	State	Federal	Other	Positions
1.	Reduce Administration Contracts	(\$500,000)	(\$500,000)	\$0	\$0	0
2.	Administrative Staff Reduction	(842,700)	(382,800)	(84,400)	(375,500)	(13)
	<b>Total Savings Plan</b>	<b>(\$1,342,700)</b>	<b>(\$882,800)</b>	<b>(\$84,400)</b>	<b>(\$375,500)</b>	<b>(13)</b>