Presentation to the 2019 Health and Human Services Joint Appropriation Subcommittee

Human and Community Services Division
Economic Security Services Branch
Department of Public Health and Human Services

The following topics are covered in this report:

- Overview
- Summary of Major Functions
- Highlights and Accomplishments during the 2019 Biennium
- Funding and FTE Information
- Change Packages
Overview

The Human and Community Services Division (HCSD) provides economic safety net programs for eligible Montanans – just under half of these are children. These programs are designed to help households with no or limited income meet basic human needs for food, shelter, heat, healthcare, and childcare. Many of the division’s programs include expectations to work or to engage in work training and education programs, with the goal of leading to economic self-sufficiency. HCSD also supports small business through contract partnerships and targeted investments in early childhood businesses through its early childhood programs.

While the division has many partners statewide through early childhood coalitions, Head Start, public schools, and other community teams, the division formally partners with just over 800 local non-profit and business contractors throughout the state. HCSD employs just under 500 FTE with expenditures for personnel, operation, and distributed benefits exceeding $300,000,000. Approximately 80% of the division’s FTE are dedicated to local offices throughout the state.
General Program Eligibility

The following chart shows the various programs and maximum “countable” income for a family of three to qualify for assistance. Note: program eligibility is not based solely on countable income since other qualifying conditions may exist depending on the specific program.

1) Temporary Assistance for Needy Families (TANF)
2) Supplemental Nutrition Assistance Program (SNAP)
3) Commodity Supplemental Food Program (CSFP)
4) Food Distribution Program on Indian Reservations (FDPIR)
5) The Emergency Food Assistance Program (TEFAP)
6) Family and Medicaid Expansion (MA EX)
7) ABD (includes Aged, Blind, Disabled; Medically Needy; Long term Care)
8) Healthy Montana Kids which is CHIP and Healthy Montana Kids Plus which is Medicaid (HMK)
9) Child Care
10) Low Income Energy Assistance Program (LIEAP)
11) Weatherization Program (Wx)
Summary of Major Functions

Eligibility and Community Services

The Division is accessible to the public through a variety of channels depending on the programs and services they are seeking. The following programs are accessed through Offices of Public Assistance (OPA):

- Supplemental Nutrition Assistance Program (SNAP),
- Temporary Assistance for Needy Families (TANF), and
- Health Coverage including Medicaid Expansion, Medicaid and Healthy Montana Kids (HMK) for children, adults, disabled, and elderly.

In addition to visiting an OPA, individuals can apply and update their case online at apply.mt.gov, via mail and fax, and by phone.

The Division contracts with Human Resource Development Councils to assist applicants in applying for the Low-Income Energy Assistance Program (LIEAP) and the Weatherization Program. HRDCs also provide community-level poverty reduction services based on local needs assessments.

Other contracts with Child Care Resource and Referral Agencies assist families who may need help choosing and paying for child care through the Best Beginnings Scholarship Program, so parents can work and/or go to school.

Food Security

Commodity Food Distribution Program
Through the state-owned warehouse for food commodities, HCSD houses and inventories meals for vulnerable populations across the state. Warehouse truck drivers delivered nearly 400,000 cases of food to hungry Montanans last year.

- 37% of the food supports food distribution on Indian Reservations.
- 25% supports the school lunch commodity foods program through OPI.
- 22% feeds low income seniors.
- 17% supports emergency food needs through food banks, homeless shelters, soup kitchens, and group homes.
Supplemental Nutrition Assistance Program (SNAP)
The SNAP Program provides food assistance to eligible Montanans. On average, approximately 56,611 households receive SNAP benefits each month. On average, the monthly benefit amount is $239 per household, and the average SNAP household receives SNAP benefits for just 18 months. Eligibility criteria for this entitlement program is set at the federal level. One in every eleven Montanans receives SNAP benefits and nearly two-thirds of SNAP participants are children, elderly, or have disabilities.

Of those receiving SNAP in FY 2018:

- 43% children
- 16% disabled nonelderly adults
- 6% seniors

Child and Adult Care Food Program (CACFP)
Through the USDA Child and Adult Care Food Program (CACFP), meals are reimbursed to participating child care programs for providing nutritious meals. The CACFP is an effective tool to support child care business management and provides meals for hungry children, while ensuring health and nutrition. In FY 2018, just under 7.4 million meals were reimbursed in 722 facilities.

“The meals provided through our partnership with CACFP have been a game changer for our members and the experience we can provide every day after-school. Offering a meal after school has been transformational for the quality of the Clubhouse experience by giving our members the energy and ability to focus so they can take full advantage of the world-class experience we provide to help them develop a path for their own GREAT FUTURE.”

Brian Dennis, President & CEO, Boys & Girls Clubs of Yellowstone County

“I have been a provider since 2011 and have participated in the CACFP since I opened. Participating in the CACFP has given me the opportunity to make better food choices for the children in my care. Having the meal requirements as part of the program has helped me to remember what they, as children, need.”

Jill Caine, group home provider, Bozeman
Energy Assistance

Energy assistance includes the Low-Income Energy Assistance Program (LIEAP) and the Weatherization Program. Both programs are aimed at helping low-income households reduce their energy burden. During FY2018, just under 20,000 households received assistance with their seasonal heating bills. Based on financial eligibility, the average household subsidy through LIEAP for the 2017-2018 heating season equates to about $85 per month.

Of those receiving LIEAP assistance in FY 2018:

- 43% disabled
- 40% elderly
- 19% households with small children

The Weatherization program benefits low-income recipients by investing in energy saving measures to reduce heating costs and lower energy consumption. Investing weatherization dollars is significant because it lowers the cost of heating bills for the household over time. Weatherization supports low-income families in maintaining safe, stable, and affordable housing.

Not only does the Weatherization Program help low-income families and individuals lower their home energy costs and increases their health and safety, the Weatherization Program creates jobs. Whenever possible, materials used are purchased locally. Houses are prioritized based on eligibility of the dwelling and high energy burden with preference provided to those households with elderly, persons with a disability, or children. Through FY 2018, 1,105 households received weatherization assistance resulting in a reduction of annual energy costs by an average of approximately 39%. Seventy percent (70%) of the supported households own their home.

Of those receiving weatherization support in FY 2018:

- 41% disabled
- 37% elderly
- 25% households with small children
“At age 75, the LIEAP has been a mainstay and without this I would not be able to subsist, especially for this severe and harsh winter we experienced in 2017-2018. Thank you to all for the overall excellent job.”

LIEAP recipient

A client with natural gas heat stated, “Since my home was weatherized my heat bill went down $300 per month.”

LIEAP recipient

### Poverty Reduction Efforts through Community Investment

Community-specific efforts to address poverty are supported through the Community Services Block Grant (CSBG) and through local Human Resource Development Councils (HRDC). Examples of this work include youth employment, job counseling and skills training, money management classes, transportation, and emergency assistance. Nearly 80,000 individuals benefited from community services provided through the HRDCs.

Through the efforts of the homeless assistance program in FY 2018, 1,130 people (including 408 children) received Rapid Rehousing and Homeless prevention assistance.

### Health Coverage

Each month, approximately 242,000 Montanans received health coverage benefits. The Offices of Public Assistance primarily determine eligibility; however, we are fortunate to have a partnership with four tribal governments: Confederated Salish and Kootenai Tribes, the Chippewa Cree Tribe, the Blackfeet Tribe, and Fort Belknap Tribes to support eligibility and enrollment. Eligibility for health coverage includes a wide range of the state’s population, from infants to senior citizens, to disabled children and adults in need of community services and long-term care. Health coverage also includes eligibility for Medicaid Expansion.

### Employment and Family Support

**Temporary Assistance for Needy Families (TANF)**

The Montana TANF Program is designed to help families become stable, able to work, financially secure, and focuses on temporary assistance. To be eligible for TANF, the household must have a child or include a pregnant woman in her 3rd trimester. The federal limitation on temporary assistance is 60 months in a lifetime. In Montana, there is a state-run TANF program and four tribes manage their own TANF programs. These tribes are: the Blackfeet Tribe,
Chippewa Cree Tribe, Fort Belknap Tribes, and Confederated Salish and Kootenai Tribes (CSKT).

Clients eligible for TANF services may be eligible to receive cash assistance and/or other supports to assist in meeting the goals of family stability, employability, and financial security. Approximately 10,000 Montanans in 4,300 households receive TANF in the form of cash assistance each month. On average, a TANF client receives assistance for 8 months.

The average TANF household includes 3 individuals with very limited income. The table below illustrates a common TANF family served.

<table>
<thead>
<tr>
<th>TANF Family</th>
<th>Number in Family</th>
<th>Average Monthly Income</th>
<th>Average Monthly Benefit Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3</td>
<td>$184</td>
<td>$505</td>
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</table>

Forty-five percent (45%) of the TANF caseload are child-only cases. The child-only TANF option allows a caretaker relative to provide care for the child when the parents are unable, instead of through Child and Family Services Division kinship care. In this case, the household receives a TANF grant for the child. The TANF benefit is less than foster care payments, but is a solution to assist with family needs.

The TANF Program uses a model called the Bridge Model. The Bridge Model allows client advocates to work with clients to assess needs, set goals, and evaluate outcomes. The Bridge addresses three main issues: Family Stability, Employability, and Financial Security. Clients come to us with multiple challenges in these areas. The Bridge is designed to assess client’s unique needs, including their strengths, to work toward reducing barriers and achieving success.

TANF families often have barriers to employment that can impede their ability to complete training or go to work.

The 5 most common barriers for TANF clients relate to the following categories: physical health, child care, housing, transportation, and mental health.

When a client identifies a barrier to employment, a client advocate works with the client to set goals and to provide support through referrals or services designed to address the barrier. For example, if a client needs child care to go to work, the client advocate will refer the family to the Best Beginnings Scholarship Program for financial assistance and help in finding child care.
Child Care Assistance for Working Families
Child care can be expensive for families. By helping low income families pay for child care, parents can work. Eligible Montana families can receive help paying for child care costs for their children through the Best Beginnings Scholarship Program, which can include working families, students, children served through Child and Family Services, and families served through the Temporary Assistance for Needy Families (TANF). Last year, 5,944 families received help defraying costs of child care. Not only do families benefit from the Best Beginnings Scholarship Program, but so do early childhood providers. Reimbursement rates are established for child care providers. They are based on available funding, but aim to set adequate and competitive rates throughout the state. Additionally, policies are designed to support continuity of care and staffing for the child care provider and the child to assure consistency.

Quality Improvement and School Readiness for Children

Best Beginnings STARS to Quality
The Best Beginnings STARS to Quality Program supports increasing access to high quality early childhood education and has influenced other state initiatives, such as the state-funded preschool pilot program - STARS Preschool. Through Montana’s Quality Rating and Improvement System, Best Beginnings STARS to Quality, early childhood programs are supported in their pursuit of increasing program/educational quality for the children and families they serve. The five-star system supported 253 providers in SFY 2018. The total capacity for children served in STARS Programs is 7,409 children, approximately 40% of the total capacity of licensed programs in Montana.

Research-based criteria must be achieved and validated at each STAR level. Included in the research-based criteria are standard assessments. Environment rating scales measure the quality of the early childhood classroom and the interactions and experiences children receive. Administration scales measure business effectiveness and operations.

Over the last two years, 188 programs have increased their STARS to Quality level, and 65% of those programs have moved at least 2 STAR levels.
“I applied for the STARS field test, with hesitation, when it began 8 years ago. With the help of this program I have updated my childcare facility with new flooring, paint, Procare software, educational supplies and the list goes on. I also have access to trainings for myself and my staff which has given us the confidence and knowledge to become the first STARS 3 program in our region. Because of the STARS program, I feel our facility is growing as an educational and safe environment for children in our rural community. Thank you for this opportunity.”

Debbie McCormick, Debbie’s Daycare, Havre

**STARS Preschool**

During the last biennium, the legislature directed DPHHS to implement a pilot program to increase access to preschool for four and five-year-olds. A competitive application invited programs to apply for a preschool contract for a two-year period awarding up to $150,000 per classroom per year. Applicants were also required to supply a 10% match annually. The STARS Preschool Program received 47 applications and awarded 17 grantees to increase access to high quality preschool for over 300 children in 20 classrooms across the state. There were 8 public schools, 1 Head Start, 7 private community-based programs, and 1 public-private partnership with the school as the lead partner. The following chart shows the location of the pilot programs.
Highlights and Accomplishments During the 2019 Biennium

High Quality Early Childhood Education

STARS Preschool Pilot
The department conducted an evaluation of the STARS preschool pilot. In its first year, the program made strides in increasing access to preschool across the state. Twenty percent (20%) of the funded classrooms were from small communities in Montana, with population size less than 1,000. Forty-seven percent (47%) of the applications shared that no other options for preschool and/or child care existed in their communities prior to this pilot program.

“Alberton has never had a preschool. Our community is home to many low income socioeconomic families. Many kindergarteners begin without spending any time in a school setting. Some have not been taught even the most basic of tasks and skills such as identifying shapes or colors”

Alberton Public Schools

The department evaluated different preschool delivery models, including private and public programs. Private programs excelled in ensuring a developmentally-appropriate environment to support social-emotional learning. Children enrolled in public school programs showed stronger growth on developmental indicators between Fall 2017 and Spring 2018.

This program demonstrated significant progress in meeting the DPHHS goal of ensuring all children and youth in Montana receive the support they need to reach their highest potential. At the end of year one, 93% of the children were school ready, up from 77% at the beginning of the school year. This number is especially significant, given the proportion of children with high needs enrolled in the program. Children with identified high needs, including those from low-income families, had more growth between Fall 2017 and Spring 2018, narrowing the gap between themselves and their peers.
Low Income Energy Assistance funds to Tribal Programs in disaster areas

Extreme cold and blizzard conditions during 2017-2018 led Governor Bullock to declare emergency situations on the Blackfeet, Fort Belknap, and Northern Cheyenne reservations and he released an additional $200,000 in emergency energy assistance funding to these affected areas. Many households had exhausted their ability to pay the extra high heat bills, or to purchase additional propane or firewood. Local Tribal Low-Income Home Energy Assistance Programs (LIHEAP) used this emergency funding to supplement their crisis funds and to provide additional benefits to eligible families. This funding supported over 1,000 households during the emergency conditions.

Partnerships to provide nutrition education and food assistance across the state

Montana Food Bank Network
The SNAP Program partnered with the Montana Food Bank Network for outreach coordinators to assist communities and individuals in accessing food assistance in underserved communities. This has been a great opportunity to build capacity in rural towns across the state. Targeted outreach provided training and application assistance to sixteen counties, including Sheridan, Daniels, Toole, Teton, Pondera, and Choteau.

SNAP Education
Through the SNAP Education Program at MSU in Bozeman, extension offices across the state provide education and support to SNAP clients. Just under 24,000 Montanans have received education and support to make healthy food choices. Around 78% of adults improved their food management practices and 80% of youth made healthier food choices because of nutrition and physical activity classes.
Families achieving steps toward economic self-sufficiency in the TANF Program

In support of the DPHHS goal to strengthen the economic and social well-being of Montanans, the TANF Program has assisted clients in successfully finding employment so that they are able to work toward becoming self-sufficient.

Over half of the TANF households are single parent households, often single moms with children. Many of these families face homelessness, are victims of domestic violence, may not have high school diplomas, and have difficulty in finding and securing employment. Through contracted community partners, the TANF program supports these families through client advocacy, skill building, and employment training.

“My name is Alicia, and I have been on and off of TANF Pathways Program for the past 2 years. When I last enrolled I was homeless, trying to get into cosmetology school, and also battling addiction issues. I attended the job search classes and nutrition classes at CAPNM, along with the financial classes. I did finish school with the help and support of my client advocate. I was able to move into a home, and have been stable in that apartment since 2017. . . I am still attending narcotics anonymous and have obtained full-time employment and have been employed for 2 months, even getting employee of the month. I have already been promoted and have Pathways Program in Kalispell to thank for the great support and working with me. I also was able to obtain my Cosmetology license and have moved up in all Bridge categories. Without Pathways and the support from the great program, and ability of the program to work with me, and help me with my barriers, I do not know if I would have been able to move into my place, obtain my license and maintain my employment.”

Alicia H., TANF Pathways Program Participant
## Funding & FTE Information

<table>
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<tr>
<th>Human and Community Services</th>
<th>FY 2019 Budget</th>
<th>FY 2020 Request</th>
<th>FY 2021 Request</th>
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<td><strong>TOTAL COSTS</strong></td>
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<table>
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<tr>
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<th>FY 2019 Budget</th>
<th>FY 2020 Request</th>
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<td>General Fund</td>
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<td><strong>$335,737,248</strong></td>
<td><strong>$335,732,768</strong></td>
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### HCSD Funding by First Level FY 2019
- Personal Services: $28,001,001
- Operating Expenses: $7,421,299
- Equipment: $25,000
- Grants: $21,747,665
- Benefits & Claims: $265,590,036
- Transfers: $2,121,110

### HCSD Funding Source FY 2019
- General Fund: $32,786,049
- State Special: $2,480,514
- Federal Funds: $289,639,548
Change Packages

Present Law Adjustments:

SWPL-1 - Personal Services

The budget includes $2,337,481 in FY 2020 and $2,332,415 in FY 2021 to annualize various personal services costs including FY 2019 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>General Fund</th>
<th>State Special</th>
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<td>$2,613,370</td>
<td>$4,669,896</td>
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SWPL-3 – Inflation/Deflation

This change package includes an increase of $2,440 in FY 2020 and $3,026 in FY 2021 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with the statewide Motor Pool operated by the Department of Transportation.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>General Fund</th>
<th>State Special</th>
<th>Federal Funds</th>
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PL-2002 – IHSB Grant Funding

This present law adjustment requests $1,114,712 in total funds over the biennium to maintain existing services for the Department of Energy Weatherization program, the Low-Income Energy Assistance Program (LIEAP), and the Food Distribution Program on the Indian Reservations in the Human and Community Service Division. These services are funded with 100% federal funds.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>General Fund</th>
<th>State Special</th>
<th>Federal Funds</th>
<th>Total Request</th>
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PL- 2003 – Child Care Federal Authority

This present law adjustment requests $7,867,720 in total funds over the biennium to maintain existing services for the Child Care Development Fund in the Human and Community Service Division. These services are funded with 100% federal funds.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>General Fund</th>
<th>State Special</th>
<th>Federal Funds</th>
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New Proposals:

NP- 2004 – STARS Preschool

This proposal requests $8,000,000 general fund over the biennium to continue the STARS Preschool Program. The request continues the program from the pilot directed by the 2017 legislative session. This proposal would allow the State to provide access to preschool to approximately 30 classrooms, providing preschool services to over 400 children.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>General Fund</th>
<th>State Special</th>
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