

SAN FRANCISCO HUMAN SERVICES COMMISSION
M I N U T E S
December 20, 2018 Regular Meeting

The regular monthly meeting of the Human Services Commission was held on Thursday, December 20, 2018 in the Ronald H. Born Auditorium at 170 Otis Street, San Francisco.

MEMBERS PRESENT SCOTT KAHN, President
 JAMES MCCRAY, JR., Vice President
 GEORGE YAMASAKI, JR.

MEMBERS ABSENT Rita Semel (Excused)

OTHERS PRESENT Trent Rhorer, Executive Director, Human Services Agency
 Noelle Simmons, Deputy Director – Economic Support and Self-Sufficiency
 Elizabeth LaBarre, Executive Assistant to the Executive Director / Secretary – Human Services Commission
 Susie Smith, Deputy Director – Policy and Planning
 Dan Kaplan, Deputy Director – Finance and Administration
 Other department staff and interested citizens

ROLL CALL President Kahn called the meeting to order at 9:37 a.m., noting that three out of four Commission members were present. Rita Semel had been excused.

AGENDA On motion of Commissioner Yamasaki, seconded and unanimously carried, the Commission adopted the agenda as posted.

MINUTES On motion of Commissioner McCray, seconded and unanimously carried, the Commission approved the minutes of the October 18, 2018 Special Meeting as circulated.

EXECUTIVE Executive Director Trent Rhorer furnished an update regarding federal, state, and local activities.
DIRECTOR'S REPORT

FEDERAL UPDATES

1. Last Friday, US District Court Judge [O'Connor] ruled that the Affordable Care Act (ACA) is not legal. The recent tax overhaul eliminates the penalty for not buying health insurance [as of January 1, 2019]. The elimination of the penalty renders the requirement to have health insurance unconstitutional. Because the individual mandate is so important to the overall law, the entire law can no longer stand. For now, ACA continues as is. Health care leaders and legal experts anticipate that this ruling will be reversed in the appeals process (a process that will take months).
2. Congress passed the [Senate's version of the] Farm Bill which, along with subsidies for farmers, includes a five-year reauthorization of SNAP (known in California as CalFresh). The President is expected to sign it. We are pleased with this version of the bill. There are no increased work requirements and administrative restrictions (which were present in the House version). Unfortunately, the percentage of ABAWDs states may waive from work participation decreases to 12% (currently at 15%). However, the language in the report allows for flexibility, acknowledging that 'waivers from the ABAWD time limit are necessary in times of recession and in areas with labor surpluses or higher rates of unemployment' and that the bill 'intend(s) to maintain the practice that bestows authority on the State agency responsible for administering SNAP to determine when and how waiver requests for ABAWDs are submitted.'
3. Public Charge update: we are in the middle of the response phase of the Trump administration's proposed change to what can be considered a public charge. At the end of the 60-day public comment period, 216,000 comments were submitted, the majority of which are in opposition to the proposal. Given the large number of comments, [we] do not foresee changes to the rule, if any, for quite some time.
4. Temporary Assistance for Needy Families (TANF), which authorizes CalFresh in San Francisco, is supposed to be reauthorized every five years, however, it has not been reauthorized since 2010. Instead, TANF has been extended through a series of short-term extensions, with no program changes or enhancements, for the last 9 years. It may be reauthorized in 2019. The House proposal, submitted about 6 months ago, was fairly positive. It seems as though the Republican-majority House sees value in self-sufficiency and will support increases to TANF subsidized employment programs while making work participation requirement measures more flexible.
5. The IV-E waiver expires in September 2019. We continue to support efforts to extend the IV-E waiver authority for states and counties to access flexible funding for services and support of foster children & families.

S T A T E U P D A T E S

Last week, leaders of our county association, CWDA, met for the annual legislative and budget planning meeting. Our priorities for next year include:

1. Households with school-aged children who receive free or reduced-price meals would be considered categorically eligible to receive CalFresh, meaning they would not have to apply separately and the process would be seamless.
2. As the minimum wage increases, increase CalWORKS' Applicant and Recipient Earned Income Disregards (EID). Many working families will no longer be eligible for CalWORKs benefits with the rise in minimum wage, meaning they will lose cash assistance, services and benefits such as childcare, transportation, etc. An increase in the

- applicant EID and recipient EID will help working families who would otherwise become ineligible for CalWORKs as the minimum wage increases.
3. Continuum of Care Reform (CCR)—child welfare reform from 2015—funding: prioritize recruiting and supporting foster care/resource families, approving foster care/resource family applications to clear backlog, implementing the new Child Adolescent Needs and Strengths assessments and developing the Family Urgent Response System (FURS).

LOCAL

The “ERAF Windfall”: The Educational Revenue Augmentation Fund (ERAF), a fund made up of a complex equation that shifts property tax revenue to state and local governments up to a certain dollar amount, had a surplus of \$450M of San Francisco money for 2017. Though considered a one-time “windfall,” the city may be able to count on these additional funds, annually, moving forward since property taxes do not decrease. Some of the \$450M must go to rainy day reserves and to various baselines. The remaining \$181M is available for one-time spending, and so the “feeding frenzy” in City Hall begins. The Mayor wants to use the extra money for one-time expenses including acquiring affordable housing units and increasing the number of navigation centers. Board members have other priorities including focusing on education and energy alternatives to PG&E, so this will be an interesting political negotiation. Our request for assistance with the CPC (Child Protection Center) would come out of the baseline fund, not the \$181M dollars.

The San Francisco Housing Authority (SFHA) was part of a multi-year audit that disclosed a \$30M deficit. SFHA oversees housing for approximately 20,000 city residents/about 11,000 Section 8/Housing Choice Vouchers. SFHA has asked the Mayor’s Office to cover half of the deficit. The other half will be recouped by freezing housing vouchers, which directly affects us. Our Bringing Families Home program uses Housing Choice Vouchers to help parents not yet reunified with their children gain a stable living situation. The Housing Choice Vouchers already issued are status quo; no new vouchers will be issued, though we are working with the housing authority to see if they can reserve a few for us. We also have a program for foster parents who need a larger home to accommodate foster kids; this program is on hold as well.

The Mayor’s Office provided budget instructions for the next fiscal year. Their budget concerns include growing labor costs, financial costs of housing, and the inevitable recession. The Mayor’s strategy is to build reserves to protect the city during the next recession. Instructions from the Mayor’s Office regarding our agency’s discretionary general fund budget (which excludes the fund for childcare, the dignity fund, general fund that supports entitlements, etc.) are that we need to make a 2% reduction in the general fund for year 1 (2020) and a 4% reduction in year 2 (2021), along with a 1% contingency reduction in 2020 and a 2% contingency reduction in 2021. It will not be difficult to meet this target. Our concern is attempting to get funding for new initiatives. With IV-E waiver pressures, we will be looking for general fund support for child welfare services.

One of the most effective anti-poverty tools availability, cash directly into the pockets of our clients (up to \$500), is the San Francisco Working Families Credit (WFC) for tax season. HSA operates four [of 35 citywide] sites that offer free tax preparation services [for those who earned \$55,000 or less in 2018] in partnership with community organizations. Our communications team is advertising with Muni bus ads, mailings, flyers at our service centers, enhanced web content, Social Media campaign utilizing Facebook, Instagram, and Twitter, and sending text messages to clients.

PROGRAMS

ESSS

DHS is excited about our growing partnership with the Office of Economic and Workforce Development (OEWD). The latest project is a pilot, Working Scholars Program, whereby 20 current and former Welfare-to-Work clients (mostly JobsNOW! participants) who are now employed in entry level jobs will have the opportunity to participate in a free online degree attainment program through Golden Gate University or Thomas Edison University to help them advance in their careers.

Workforce Development (WDD) is in the process of reorganizing its staff, which will result in improved efficiency, quicker client access to employment services and free up resources to offer more tailored services for clients needing individualized attention. The main WDD employment center at 3120 Mission was recently renovated and looks great (very client friendly and professional).

SFBN - CalFresh & Medi-Cal

In the past year, we have seen a 3% decline in both CalFresh and Medi-Cal caseloads. Statewide, caseloads are trending down as well. In part this is a reflection of the state’s strong economy and low unemployment rate, but other variables may also be at play such as the anti-immigration rhetoric coming out of the White House and the public charge proposed rule change. In SF for example, we have noted a decline among CalFresh cases with non-citizen members. For Medi-Cal, it may be that the elimination of the health insurance mandate has caused some to drop coverage. We will continue to monitor participation and engage in robust CalFresh and Medi-Cal outreach efforts.

CalFresh ABAWD update: We have been implementing the CalFresh ABAWD work rule for over 4 months. The state’s implementation strategy is being referred to as the “1, 2, 3 approach.” #1 First screen for mandatory federal exemptions. #2 Attempt to engage in work activities. #3 Help participants to retain critical nutrition assistance by applying discretionary state (15%) exemptions. The good news is that at the first step we are finding that 80% of participants meet a federal exemption, meaning they are not required to participate in work and do not have a time limit imposed on their benefits. Of the remaining 20%, only 9% to date are taking us up on the offer of employment services, while 91% (n=3,300) are non-exempt and not working. However, because we have the flexibility under state and federal regulations to apply discretionary exemptions to this last group, to date no one has lost benefits due to failure to meet the work requirement.

One challenge worth noting is that some ABAWDs will be discontinued from benefits for other reasons, such as failing to return required paperwork. The ABAWD rules pose an additional hurdle for those individuals in that they can only regain CalFresh eligibility by satisfying the work requirement for 30 days. To try to minimize the potentially negative impact on those clients, we are leveraging our contract with San Diego 211 to call the approximately 175 high risk individuals who fell into that category this month (and will continue to do so in future months).

We made the state aware of a CalFresh/ABAWD policy that didn't make sense and succeeded in getting the policy reversed. Under the original state guidance, California Food Assistance Program (CFAP) recipients were not eligible for 15% exemptions. After questioned by San Francisco, now CFAP recipients are treated the same as any other ABAWD.

CAAP

In 2018, CAAP has innovated its intake process in homeless shelters, partnering closely with Homeless Outreach Team workers who start CAAP applications online and also assist in doing employability screening. This has led to a reduction of intake appointments, sometimes approving clients for benefits in one face-to-face visit. From March to September 2018, CAAP applicants at these shelters were approved for aid 65% of the time. This is a 20% increase in approval rates compared to the larger CAAP application during this period. In addition, CAAP is making it easier for our homeless population to stay on aid. Starting in January, CAAP is implementing a remote residency check system for homeless clients, which replaces the need to have monthly in-person appointments. For each missed appointment, a CAAP client can either get a negligent failure or get discontinued, so having remote checks will assist with keeping clients on aid.

ADMINISTRATION/FINANCE

Budget supplemental update: The first and most significant change to our budget is the addition of 34 new positions to support implementation of a new policy that will make aged and disabled recipients of federal SSI benefits eligible for CalFresh nutrition assistance, effective summer 2019. 85% of the cost of these new staff will be covered by the new state funding. San Francisco currently has 43,000 individuals receiving SSI. The State projects that 29% of the SSI population statewide will take up CalFresh. This would result in adding 12,600 cases to the CalFresh caseload in SF, a 40% increase. These individuals will now be eligible to receive up to \$100 per month in CalFresh benefits (as opposed to \$10 previously). This would increase the monthly income of those SSI recipients by 6% to 8%, and would mean that an additional \$11M to \$15M per year would be spent locally on food purchasing, benefiting the local economy. The second item included in the supplemental was an additional \$968K in funding for the CalWORKs Housing Support Program. This increase brings our total annual allocation to \$4.9M, and will allow a total of 225 homeless CalWORKs families to receive rapid re-housing rental subsidies, move-in support, and eviction prevention this year.

FAMILY AND CHILDREN'S SERVICES (FCS)

The new FCS Deputy Director, Joan Miller, will begin on January 28. She is currently the Director of Family and Children's Services for the County of Santa Cruz. Prior to that, she was the Director of Children and Family Services for Contra Costa County.

As part of CCR, as of January 1, 2019, children can no longer be placed in group homes unless they receive approval from the state to stay in a short-term care facility. FCS continues to work with staff, community partners, and human resources to plan for the eventual closure of the Child Protection Center, however our target close date is now mid-2019.

Foster care payments used to be based on the age of the child. Now the rates are based on the needs of the child. Children go through an assessment to determine their needs.

FCS has begun the five-year planning process to examine our performance and develop a System Improvement Plan (SIP) with CDSS. We will be focusing on permanency within 12 months for our Peer Review/County Self-Assessment. Permanency within 12 months means the child is either reunited with a parent, placed in legal guardianship or adopted within 12 months of entering the foster care system.

MANAGER OF THE YEAR

President Kahn announced JASON ADAMEK, Director, County Adult Assistance Program (CAAP), as the 2018 Manager of the Year. The Commission recognized Jason for his many achievements as director in such a short amount of time (2 years), including business process improvements to modernize the CAAP program and an unwavering commitment to the client. Jason has a deep respect for his colleagues, made evident by the implementation of an annual employee retreat, regularly scheduled listening sessions, and staff surveys to solicit feedback. Mr. Adamek was awarded an engraved desk clock, which he graciously accepted with thanks to all. Guests present in support of Jason included his wife, two children, brother- and sister-in-law, and a full auditorium of colleagues.

CONSENT CALENDAR

On motion of Commissioner Yamasaki, seconded and unanimously carried, the Commission approved and ratified actions taken by the Executive Director since the October 18, 2018 Special Meeting in accordance with Commission authorization of December 20, 2018:

1. Submission of requests to encumber funds in the total amount of \$3,580,402 for purchase of services or supplies and contingency amounts.
2. Submission of 4 temporary positions for possible use in order to fill positions on a temporary basis made during the period of 10/11/18 to 12/4/18.
3. Submission of 80 temporary appointments made during the period of 10/11/18 to 12/4/18.

PUBLIC COMMENT

President Kahn's call for public comment yielded no responses.

ADJOURNMENT

President Kahn adjourned the meeting at 10:34 a.m.

A handwritten signature in black ink, appearing to read "Elizabeth LaBarre", followed by a long horizontal flourish.

Elizabeth LaBarre, Commission Secretary
Human Services Commission