



SAN FRANCISCO  
HUMAN SERVICES AGENCY

# HSA/DBFS FY23-24 & FY24-25 Budgets

Human Services Agency

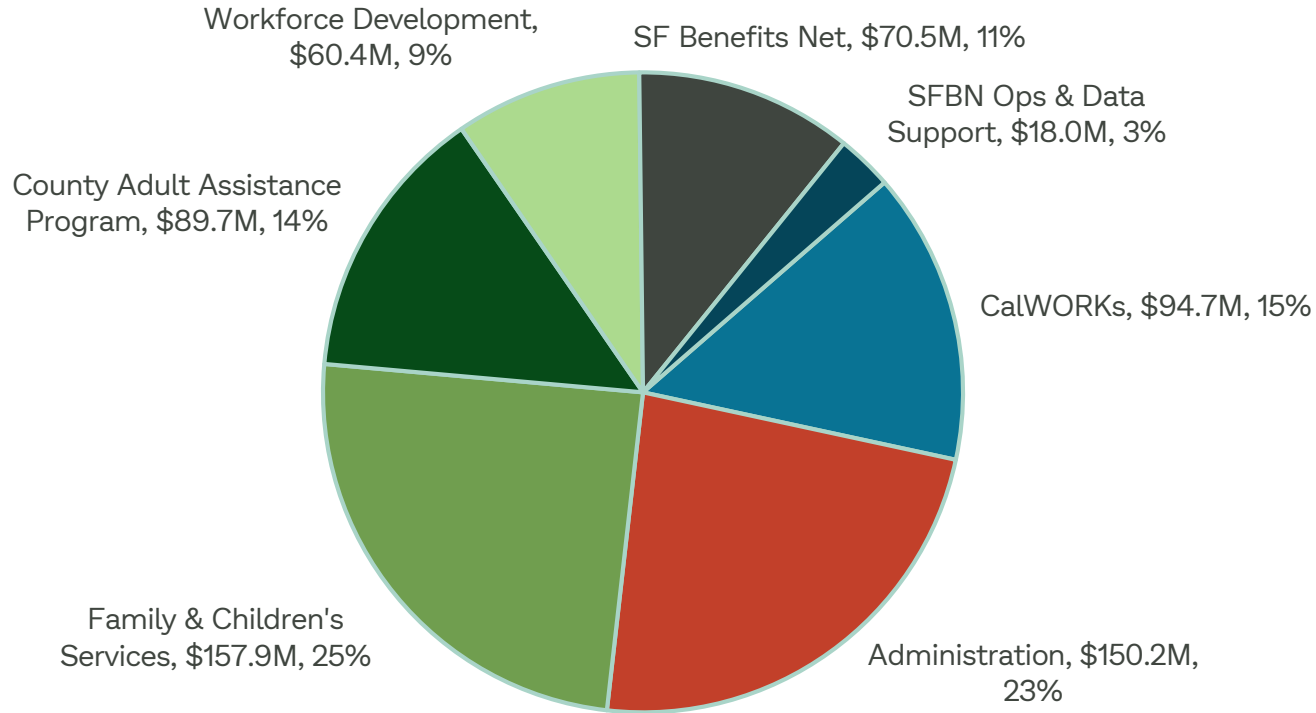
Department of Benefits and Family Support

Presentation to Human Services Commission

January 26, 2023

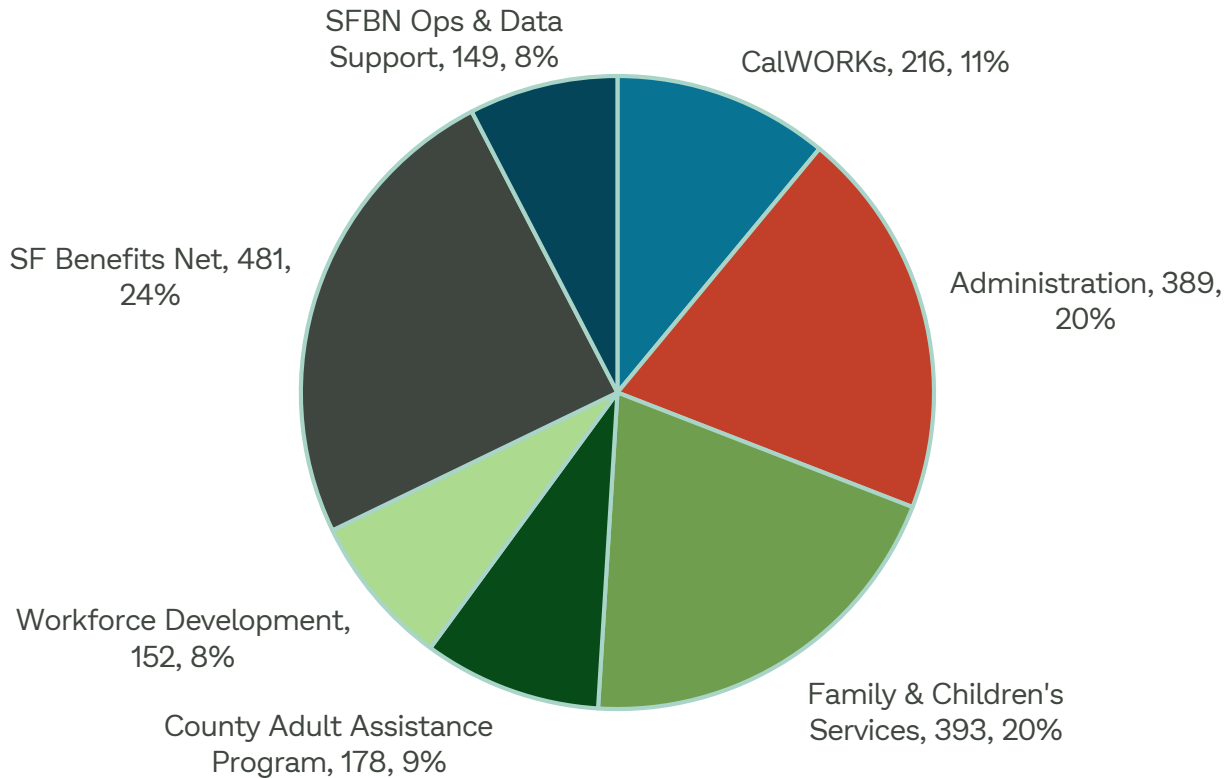


# HSA/DBFS FY22-23 Original Budget by Program \$641.4M

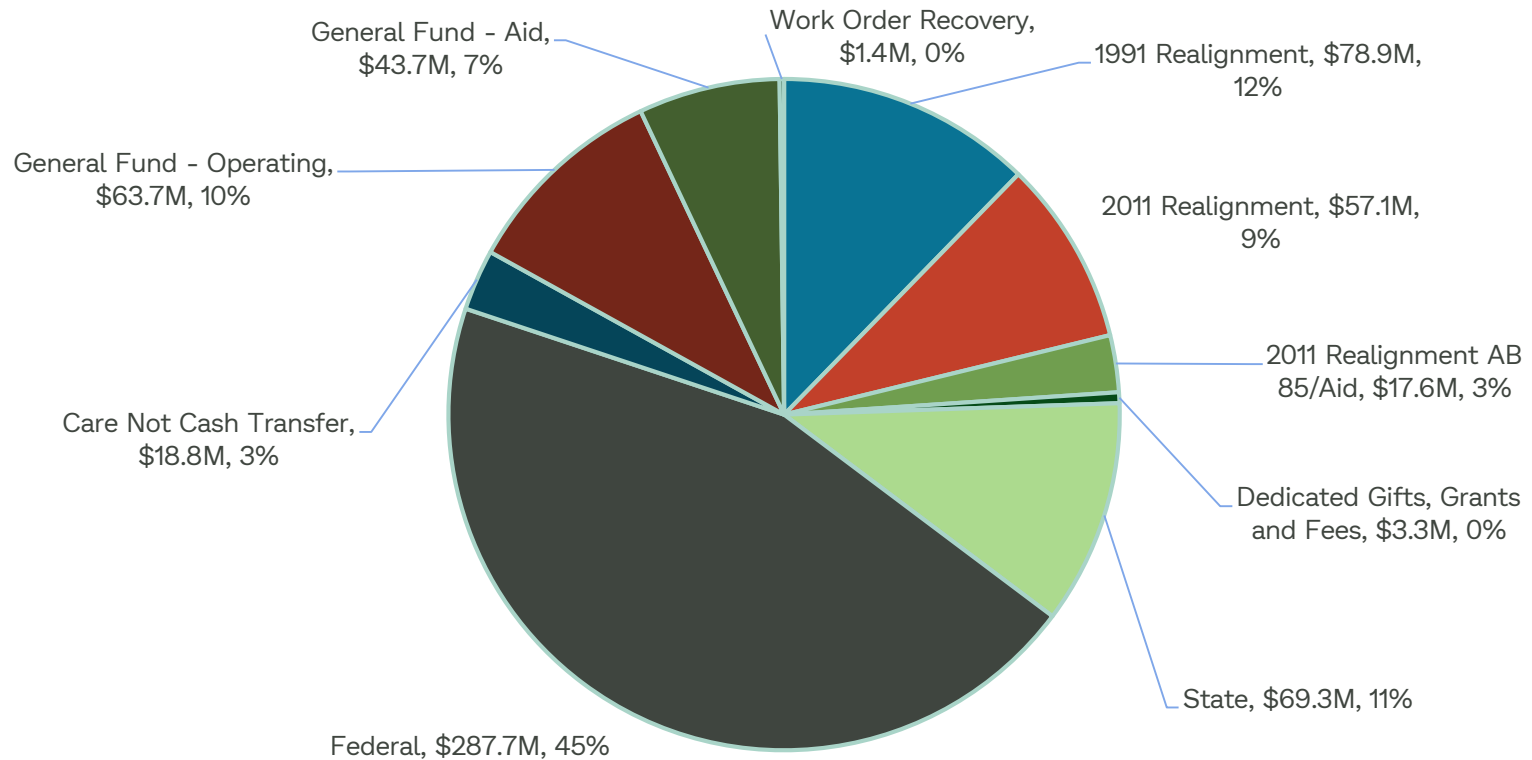


# HSA/DBFS FY22-23 FTEs by Program

## 1,957 FTEs

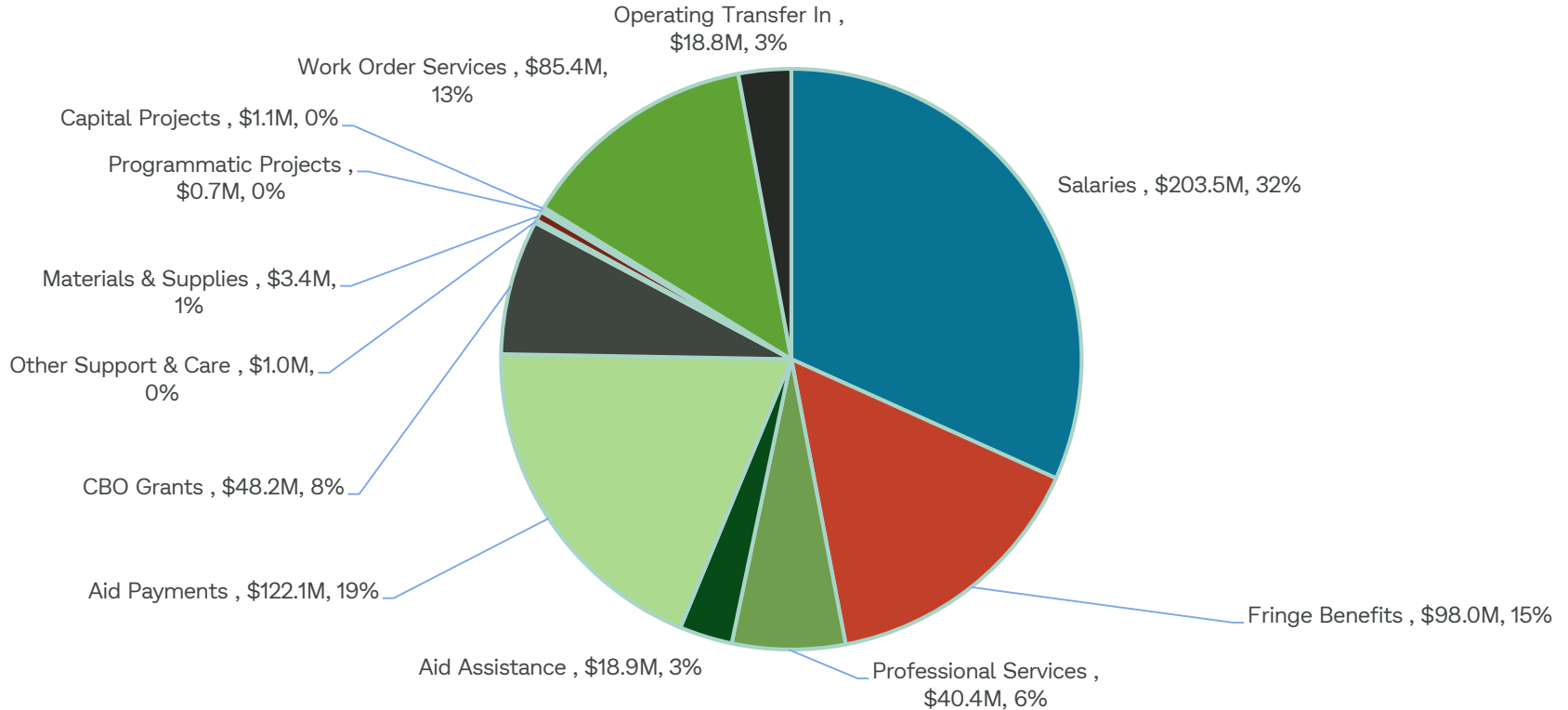


# HSA/DBFS FY22-23 Original Budget by Source \$641.4M



# HSA/DBFS FY22-23 Original Budget by Category

## \$641.4M



# Mayor's FY23-24 & FY24-25 Budget Projections

Citywide Projected Deficit (in Millions)	FY22-23	FY23-24
Total Revenue Decrease	<b>29.2</b>	<b>24.7</b>
Total Expenditures Increase	171.6	502.8
Salary & Benefits:	55.0	169.6
Baselines & Reserves:	49.8	96.3
Departmental Costs:	(11.7)	37.3
Citywide Uses*:	78.5	199.5
<b>Cumulative Deficit</b>	<b>200.8</b>	<b>527.5</b>

\*Citywide Uses include: general operating increases (e.g. minimum wage, utility rates, and debt service), and capital/equipment/IT investments.



# Mayor's Budget Drivers

- Weakening revenue outlook and loss of Federal revenues
- Higher base wages for employees and growing health benefit costs
- Increased pension costs due to recent market downturn
- New and growing General Fund commitments that increase annually



# Mayor's Budget Instructions & HSA Approach

- Required General Fund reductions:
  - 5% in FY23-24 and 8% in FY24-25
  - \$2M in FY23-24 and \$3.2M in FY24-25
- Budgets should reflect the Mayor's priorities, which include:
  - Recovery of the local economy with focus on downtown and economic core
  - Improving public safety and street conditions
  - Reducing homelessness and transforming mental health service delivery
  - Accountability & equity in services and spending





# Federal and State Budget Context

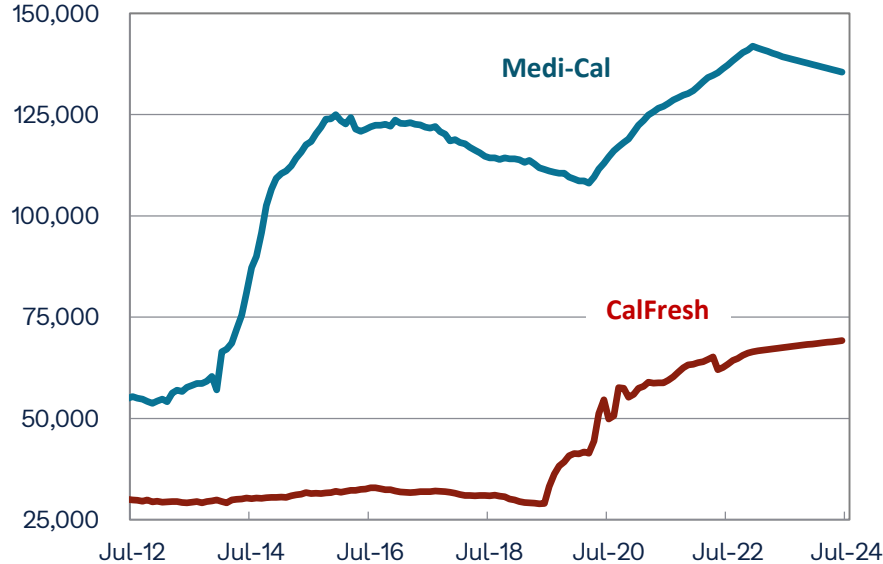
- Economic and revenue picture has changed substantially over the past year; estimated State budget deficit \$22.5 billion in FY 2023-24
- Governor's initial proposal generally spares Human Services Programs from reductions; however, State budget in “wait and see” mode
- Uncertainty exists with regard to a possible worsening economy and State's commitment to restoring critical multi-year housing augmentations after they expire
- State has accumulated a healthy reserve, which could serve as a buffer to maintain core services should the economy fall into a recession



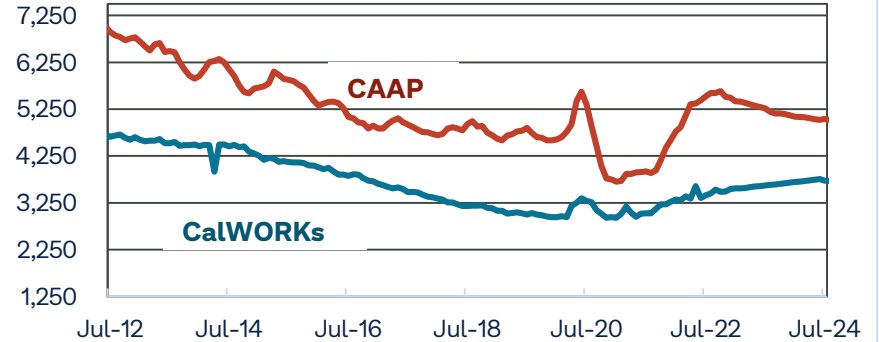
# DBFS Caseloads

Actuals through Nov 2022; projections after

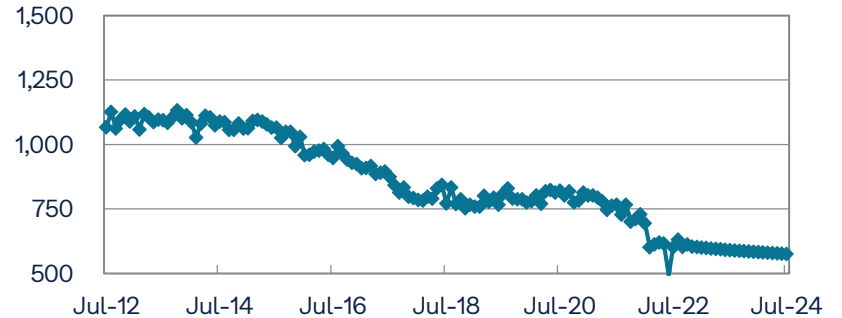
## Medi-Cal and CalFresh Caseloads



## CAAP and CalWORKs Caseloads



## Foster Care Caseload



# DBFS Highlights

## San Francisco Benefits Net

- Substantial caseload rise in Medi-Cal (+23% since Jan 2020, or 26K cases) and CalFresh (+35% or 17K cases)
  - Medi-Cal coverage extended to undocumented immigrants aged 50+ since May 2022
  - Expansion to undocumented immigrants aged 26-49 begins January 2024
- Pandemic waiver on processing Medi-Cal eligibility redetermination will be lifted before FY23-24, which will create significant workload for Medi-Cal staff.
- Significant increase in CalFresh grant amounts since pandemic started due to Emergency Allotments
  - Each CalFresh case receives the maximum possible grant amount for their household size
  - Last supplemental benefit in March 2023; households will feel the impact in April 2023
    - Will result in monthly loss of ~\$11M in CalFresh benefits for SF households



# DBFS Highlights

## Homeless Benefits Linkages

- Outreach Eligibility Workers at SIP hotels, congregate shelter and Safe Sleep sites, since September 2020 submitted:
  - 1,901 CalFresh applications (93% approved)
  - 1,155 CAAP applications (30% approved)
  - 1,343 Medi-Cal applications (88% approved)
- Multidisciplinary Team (MDT) launched in April 2022
  - Collaboration with HSH to bring multiple services directly to people experiencing homelessness



# DBFS Highlights

## Homeless Benefits Linkages (continued)

- Homeless Disability Advocacy Program (HDAP)
  - \$5.2 million allocated in FY 22/23
    - \$4M if this is one-time; allocation will revert to \$1.2M annually in FY 23/24
  - 189 clients placed in permanent supportive housing and 117 clients awarded SSI



# DBFS Highlights

## County Adult Assistance Program (CAAP)

- Rapid growth in the homeless CAAP caseload over the past year
  - Growth largely due to limited shelter beds throughout San Francisco, which CAAP would offer in lieu of full cash aid amount
  - Homeless CAAP Caseload has just now begun to decline due to restored shelter capacity
  - Historical homeless CAAP caseload count:

January 2020	August 2022	November 2022
604	1,568	1,442

- On October 1, 2022, the maximum CAAP grant increased from \$501 to \$556 for GA clients and \$619 to \$687 for PAES / SSIP / CALM clients
  - SF CAAP grant amount mirrors all COLA increases that CalWORKs grant amount receives



# DBFS Highlights

## CalWORKs

- Shift from 48-month to 60-month lifetime benefits clock in May 2022
- Rolled out expanded Housing Support Program (HSP):
  - Augmented allocation of \$11.1M awarded in both FY 21/22 and FY 22/23, to be spent through FY23/24
  - Annual allocation will revert to \$5.4M starting in FY 23/24
- Refugee caseload has increased significantly with Ukrainian arrivals
  - 13 cases per month during FY 21/22
  - 155 cases in November 2022



# DBFS Highlights

## Workforce Development

- Anticipating increased employment services demand in future months, as pandemic relief programs end
  - Participation rate for PST and Wage Subsidy programs about half of pre-pandemic levels
- Added 30 additional Career Pathways positions, for a total of 100 opportunities
- Providing services aimed at bridging digital divide, removing hardship barriers, and assisting undocumented individuals who are ineligible for most public assistance





# DBFS Highlights

## Family and Children's Services (FCS)

- Continue to transition from Title IV-E Waiver to Families First Prevention Services Act (FFPSA)
  - Families First Transition revenue along with one-time agency contributions will help FCS maintain current level of programming through FY23-24
  - FCS exploring ways to modify programs to maximize FFPSA revenues
- Large cohort (127) of Non-Minor Dependents exited in January 2022 with end of pandemic extensions creating a wave of clients in need of housing
  - Expanded Foster Youth Housing Program utilizing state funding to assist with housing navigation and linkages to community resources
  - Augmented the pre-existing 50 youth housing vouchers that provide long-term housing option



# DBFS Highlights

## Family and Children's Services (FCS)

- FCS has joined in efforts alongside CWDA to address the need to support the small percentage of foster youth that have extremely complex needs, including those stemming from significant maltreatment and trauma –
  - Has resulted in the State issuing Complex Care funds to help counties strengthen the continuum of care in the child welfare system for this population
- Received increased State funding for Bringing Families Home program (BFH)
- Implemented system of emergency foster homes to place high-needs youth who would have previously been placed in the now-closed Child Protection Center (CPC)



# HSA Highlights

## Program Support

- Planning, Communications, Budget, Contracts, Finance, Human Resources (HR), Information Technology (IT), Facilities/Operations, Investigations, Disaster Preparedness
- Human Resources:
  - Working on speeding up hiring and onboarding processes
  - Includes Diversity, Equity, Inclusion, and Belonging (DEIB) team, which:
    - Expanded diversity recruitment efforts
    - Provided racial equity training to HSA staff and commissioners
    - Hosted multiple Racial Equity Town Halls



# HSA Highlights

## Program Support (continued)

- Information Technology
  - Supported staff in hybrid working model, and been transitioning agency to CalSAWS client benefits portal
- Facilities and Operations
  - Working on addressing need for new HSA offices
- Communications:
  - HSA brand emphasizes “no wrong door” approach, and commitment to supporting SF residents at all stages of life
- Disaster Preparedness:
  - Helping to close down Shelter-in-Place (SIP) system
  - Preparing for migrant sheltering and extreme weather events



# HSA Highlights

## **Food Access Program**

- Continues to invest in community food pantries, grocery vouchers, meals, and markets to combat hunger and bridge the gap left by state and federal food programs
- Reached roughly 100,000 San Franciscans with 1.3 million grocery bags, 220,000 meals, and 145,000 grocery vouchers last year
- Demand likely to increase due to the reduction in CalFresh benefits caused by the elimination of the Emergency Allotments



# HSA/DBFS FY23-24 & FY24-25 Budget Timeline

- Dec 16 Mayor's Budget Instructions Released
- Jan 26 HSA/DBFS Commission – First Meeting
- Feb 15 HSA/DBFS Commission – Second Meeting
- Feb 21 Agency Proposed Budget due to Mayor
- June 1 Mayor submits budget to Board of Supervisors
- June Board of Supervisors Budget Committee Hearings
- July Budget Considered at Board of Supervisors

