

HRA Executive Budget Testimony

Steven Banks, Commissioner

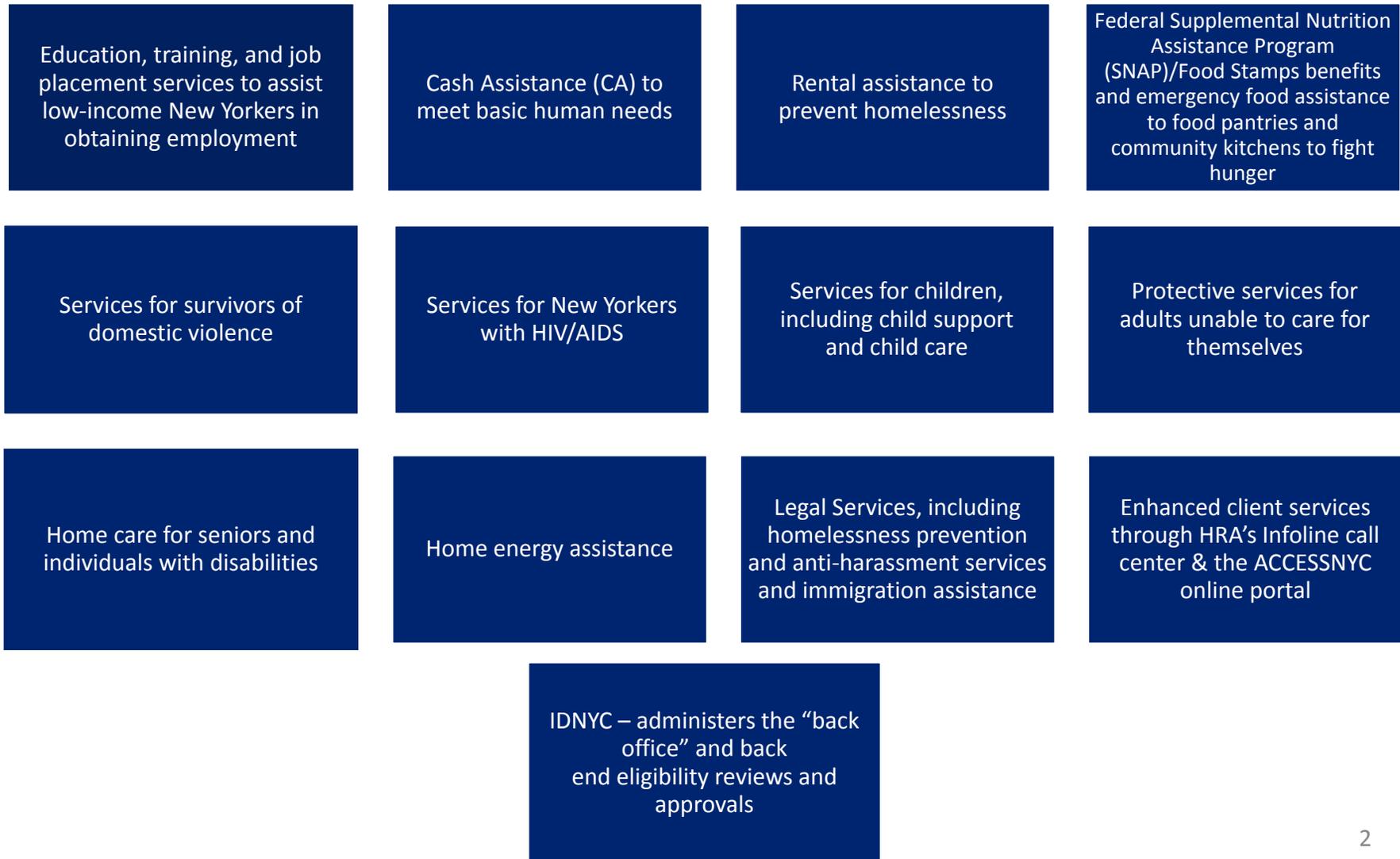
May 12, 2016



Human Resources
Administration

Department of
Social Services

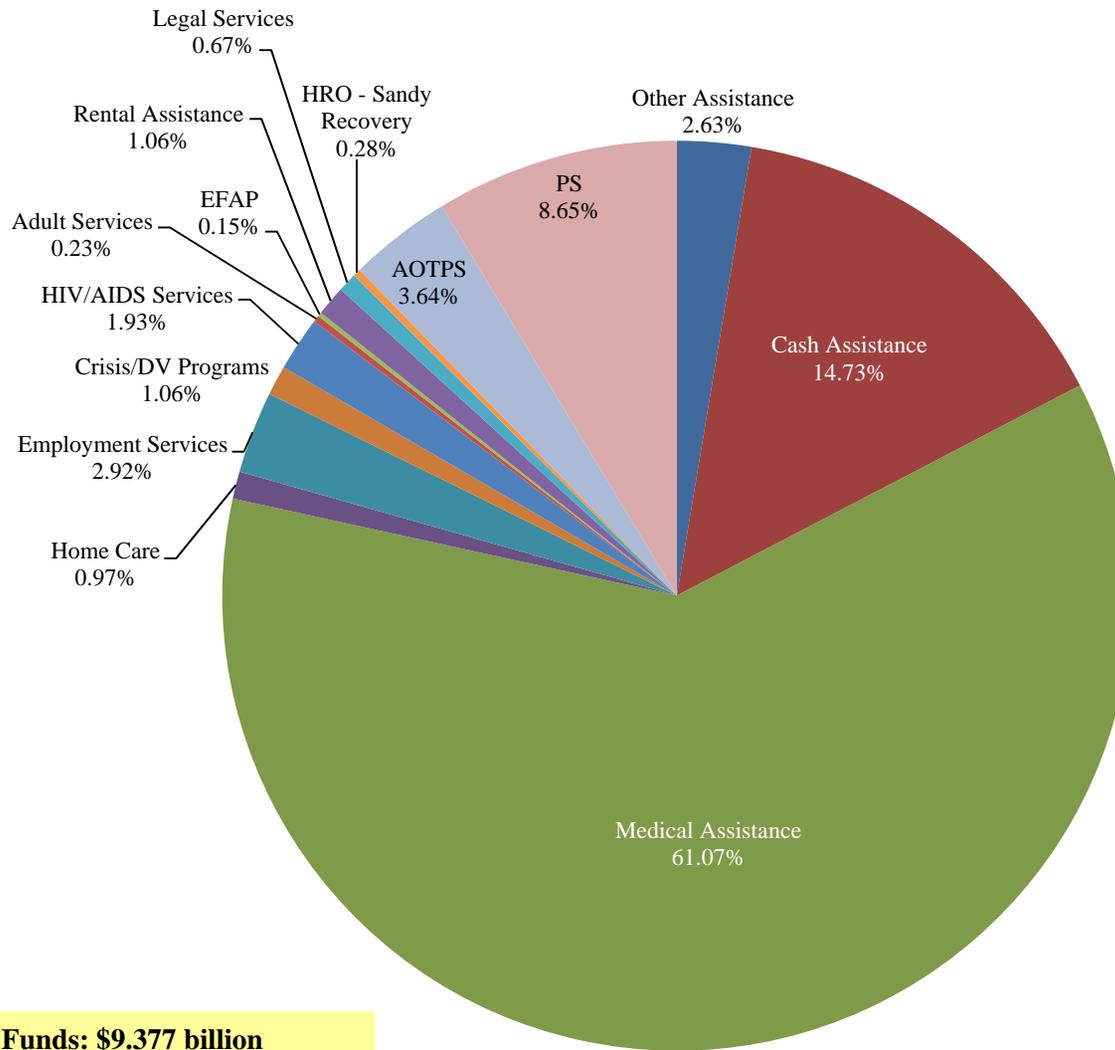
OVERVIEW: NYC Human Resources Administration (HRA)



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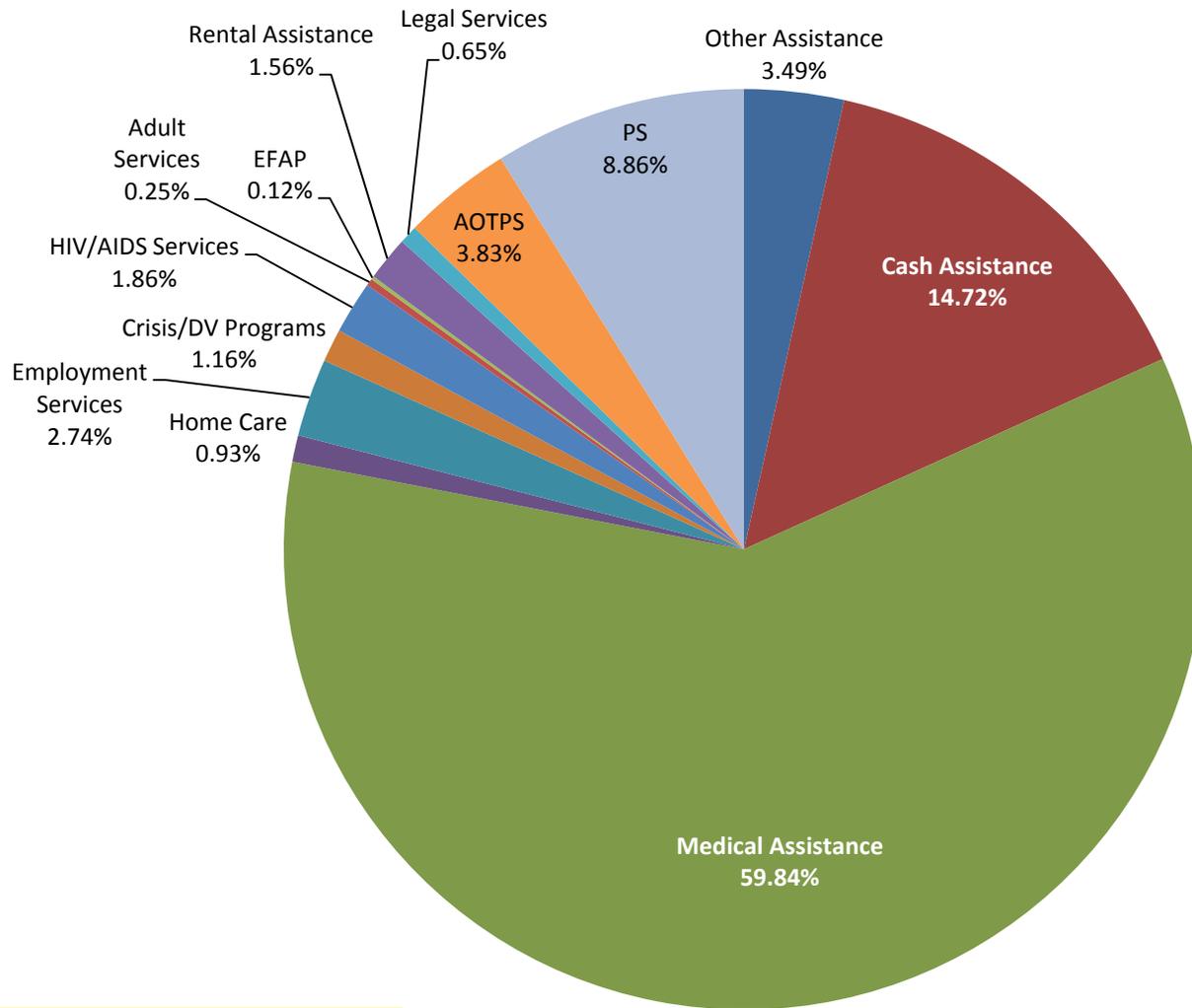
- HRA serves more than 3 million low-income New Yorkers through a broad range of programs to address poverty and income inequality and prevent homelessness
- Operating budget of \$9.7 billion in Fiscal Year 2017 (\$7.4 billion in City funds)
 - 78% is for Medicaid payments and cash assistance benefits
 - HRA continues to be responsible for much of the Medicaid program - which totals \$31 billion in NYC, although only one-fifth of these costs are part of the HRA budget
 - In addition, HRA administers \$3 billion in federal SNAP (food stamps) benefits that do not pass through the City budget
 - The HRA Capital budget of \$125.5 million (\$82.6 million in City funds) between Fiscal Years 2017-2020 supports the agency's technology and physical infrastructure

CHART 1: HRA Executive Plan Budget FY 2016



Total Funds: \$9.377 billion

CHART 2: HRA Executive Plan Budget FY 2017



Total Funds: \$9.733 billion

Changes from Jan17 to Exec17 Plan

- The HRA budget as of Executive 17 Plan is \$9.7 billion (\$7.4b City). The 2017 Plan increases by \$356 million compared to 2016 (\$314 million City funds).
- HRA's 2017 budget includes:
 - \$5.9 billion for **Medicaid** (\$5.7 billion tax levy, or 61% of the total HRA budget and 80% of the HRA City funds budget);
 - \$1.4 billion (\$600 million tax levy) for **Cash Assistance grants**;
 - \$151 million (\$103 million tax levy) for **rental assistance**;
 - \$67 million in **legal services** (\$53 million tax levy);
 - \$267 million (\$86 million tax levy) for **employment and related support services** such as transportation;
 - \$181 million (\$89 million tax levy) for **HIV/AIDS housing and support services**;
 - \$112 million (\$23 million tax levy) for **domestic violence, crisis and adult services**;
 - \$11 million (\$9 million tax levy) for **emergency food**;
 - \$862 million (\$291 million tax levy) for staff, working with clients in SNAP and Job Centers, child support offices, HIV/AIDS service centers, homeless prevention programs and Medicaid offices; and
 - \$373 million (\$162 million tax levy) for **administrative costs**: leases and supplies for HRA's 68 Job Centers, SNAP centers, HASA offices and other client serving locations.

Summary 90-Day Review

- Multiagency leadership and staff participation with a variety of stakeholders, including homeless people in shelters, on the streets and in focus groups; advocates, shelter and homeless services providers, other non-profit organizations, national experts and researchers, former DHS Commissioners, and elected officials; and staff union leadership and managers and staff at DHS, HRA and other City agencies
- Resulted in 46 reform recommendations, categorized under four broad categories:
 - prevention,
 - addressing street homelessness,
 - sheltering, and
 - rehousing.

Summary 90-Day Review Reforms

- Funding of \$66 million across both agencies is provided to implement the reforms, which will be offset by \$38 million in savings from integration, consolidation and reorganization of administrative management functions.
- The \$66 million in City funding for reform investments is allocated between HRA and DHS and includes:
 - \$25 million added to the HRA budget (total and City funds) for homelessness prevention and rehousing services consolidated at HRA. 153 new positions at HRA include:
 - staff for rehousing, intake and diversion;
 - HRA staff for Homebase; and
 - new initiatives including restored Domestic Violence in-reach programs in shelter, a unified HRA housing command center, and a source of income discrimination unit.
- \$41 million added to the DHS budget for:
 - 110 new positions including staffing for HOME-STAT/Shelter Repair Squad (70) and family shelter oversight (40);
 - funding for street outreach contract enhancements;
 - shelter rate adjustments; and
 - contracting in current non-contract shelter sites.

Summary 90-Day Review Savings

- The \$38 million in savings is generated from the efficiencies resulting from the shared administrative services model.
- The integration of functions – including legal, budget and finance, procurement, information technology, human resources, communications and program accountability.
- The \$38 million in savings includes:
 - repurposing of 115 positions for new program initiatives;
 - improved administrative claiming; and
 - elimination of ineffective programming and duplicative functions.

Structural Reform: Prevention

Expansion of HRA's Homelessness Prevention Administration:

HRA's Homelessness Prevention Administration was formed as one of many reform initiatives within HRA and comprises the following units:

- Homeless Diversion Unit
- Rental Assistance Unit
- Landlord Ombudsman Services Unit
- Early Intervention Outreach Team
- Rental Assistance Program
- Legal Services Unit
- Customized Assistance

Structural Reform: Prevention

Expansion of HRA's Homelessness Prevention Administration:

In order to streamline prevention and rehousing operations, the units focused on these areas formerly housed at DHS will be consolidated with parts that perform the same function at HRA. **DHS's Homebase prevention unit** will join HRA's Homelessness Prevention Administration.

Programmatic Reforms: Homebase

Homebase program management will move from DHS to HRA

- Clients served in their home borough
- HRA staff realigned to prevent evictions and provide assistance
- Reduction in inefficiencies
- Use of data analytics to target prevention services
- Expanded onsite processing and triage for HRA benefits
- Additional case management services: landlord and family mediation, educational advancement, employment and financial literacy services

Programmatic Reforms: Rental Assistance and Rehousing

Collaboration

We have asked the State to participate in two task forces with the City to:

- Implement alternatives to avert discharges from state prisons to shelter.
- Implement community-based programs to replace mental health shelters.

We look forward to working with our State partners to address the critical problem of homelessness in our City.

Programmatic Reforms: Rental Assistance and Rehousing

Rehousing

Key components to our rehousing strategy include the following:

- Streamline shelter relocation programs by consolidating and streamlining the LINC, SEPS and City FEPS rental assistance programs.
- Increase enforcement of the source of income discrimination law.
- Streamline the housing placement process to connect homeless clients to HPD-financed units that are available and appropriate for their needs.
- Continue to utilize NYCHA apartments within the annual needs-based allocation for clients on the waiting list who are in DHS and HRA domestic violence shelters.
- Enroll qualified shelter residents on SSI/SSD to increase income and promote rehousing.
- Implement more effective aftercare services.
- Incorporate Continuum of Care strategic planning into homeless strategy development and establish a leadership reporting structure.
- Asking the State to permit use of Medicaid funds for apartment search and shelter relocation services for homeless clients with disabilities and to approve FEPS plan modifications.

Rental Assistance and Rehousing: Results

	FY15 and FY16 (through May 9, 2016)	
	Total Households	Total Individuals
DHS LINC 1	1,027	3,574
DHS LINC 2	571	1,987
DHS LINC 3	553	1,924
DHS LINC 4	1,541	1,814
DHS LINC 5	895	996
DHS LINC 6	56	192
HRA LINC 3	416	1,448
CFEPS	1,836	6,389
NYCHA	3,292	11,380
SECTION 8	1,379	4,530
SEPS	530	530
HOME TBRA	53	180
TOTAL	12,149	34,943

Notes: HRA LINC 3, CFEPS and SEPS contain data through the week ending May 6, 2016. CFEPS and SEPS data contains both DHS shelter move outs and community provider placements. SEPS data contains placements from prior months that was previously not reported. NYCHA total includes Project Based Section 8 and Priority Referrals. Section 8 total includes HPD Initiatives and NYCHA Priority.

Major HRA Initiatives

Expansion of HRA Programs for Vulnerable Populations: Adult Protective Services

- A total of \$6.4 million (3.2m CTL) was added for an additional 81 positions to address the increase in APS caseload and to enhance client services.
- This enhancement also addresses the increased caseloads in the contracted Community Guardian program.

Major HRA Initiatives

Re-estimate of Benefits:

Cash Assistance

- There is an \$82m (39M CTL) re-estimate of the costs of Cash Assistance benefits, which supports a monthly caseload average of 386,000 in FY17, with the annual unduplicated caseload projected to remain constant at 600,000.
- The total CA budget in FY17 will be \$1.4 billion (\$600 million City).

Major HRA Initiatives

Supporting Baseline Programs:

Job Center Operations

- \$16.4M and \$10.2M CTL, in a net increase, for the repurposing of 72 positions throughout HRA from OCS, to support Job Center operations as well as funding to support positions slated to be eliminated as a result of the previous Administration's premature estimate of savings related to Re-engineering.

Major HRA Initiatives

Supporting Baseline Programs: SNAP/Food Stamps

- HRA is repurposing 310 Medicaid positions to support the Supplemental Nutrition Assistance Program (SNAP) operations while technology and business process improvements are phased in.
- The SNAP initiative reduces Federal and State Medicaid dollars and increases City funds by \$7.7 million in FY17. Funding is also added to support positions slated to be eliminated as a result of the previous Administration's premature estimate of savings related to Re-engineering.

Major HRA Initiatives

Expansion of HRA Programs:

Subsidized Job Program

- \$4.3m CTL to support transitional jobs with the Department of Sanitation; this will fund 300 slots as part of the employment services reforms.

Major HRA Initiatives

Supporting Baseline Programs:

AccessNYC

- To support new on-line features and the use of mobile technology, we've added \$2.7 million in Access NYC for maintenance and upgrades.

Major HRA Initiatives

Rental Assistance Program Unit

- Landlords have played a critical role in the Administration's success in enabling 34,943 children and adults in 12,149 households to avert entry into or move out of Department of Homeless Services (DHS) and HRA shelters.
- \$2.1 million in the Public Engagement Unit to continue the public engagement campaign to recruit landlord support for the rental assistance program.

Major HRA Initiatives

Expansion of HRA Programs:

ActionNYC

- \$309,000 for Action NYC to support Community Schools Immigration Legal Services and provide services onsite at 25 community schools.

Savings Initiatives

Medicaid Re-estimate: ACA

- As part of the Affordable Care Act (ACA), the Federal government provided an enhanced matching percentage (FMAP) to incentivize states to expand childless adult coverage to 138% federal poverty line (FPL). They also rewarded the states who were already covering part of this group with a transitional increase in the FMAP percentage.
- Starting in 2014, the FMAP for the “previously covered” population increased from 50% to 75%. In New York State, childless adults were covered up to 100% FPL before the ACA and the City was contributing to the cost of these individuals through our local share payments.
- The ACA stipulated that states are required to share the savings for the previously eligible with the localities, commensurate with the percentage of care that a locality provided versus the statewide total. In SFY14-15, NYC accounted for 73% of all childless adult care in NYS.
- This was equal to \$305.3M in savings.

Budget Detail: Capital

- HRA's capital budget of \$125.5 million* of which \$82.6 million are City funds:
 - \$80.5 million for technology to streamline operations and enhance client services, including key investments to Client Benefits Re-engineering.
 - \$31 million for facilities maintenance, equipment and improvements to DV shelters
 - \$12.8 million for the installation of telecommunications equipment
 - \$1.2 million for vehicles

* 4-year Capital Plan total funds

HRA Reforms

Examples of Reforms to Date and Key Impacts

- Reforms to address HRA policies that have harmed clients, have had an adverse impact on staff workload and morale, and subjected the City to potential financial penalties:

Remove WEP requirement for those with part-time jobs

Create system/model for Community Service options in place of WEP

Implement a legal services contract to assist clients in obtaining SSI

HRA Reforms

Implement Reengagement & Conciliation Process

On-demand Eligibility Interview for SNAP: On-demand interview pilot for SNAP recertification

Develop an updated procedure on Persons Residing Under the Color of Law (PRUCOL) immigration rules for MA eligibility

Launch new and privately funded NYCitizenship Program to provide free citizenship assistance to targeted WeCare clients

Create employer-based training grant program

SNAP outreach to NYCHA Residents

HRA Reforms

Create a mechanism/procedure that enables HRA to help parents with special needs children to secure child care

Conduct extensive training for the new Customer Service Supervisors (CSS) on identifying behaviors (and skills for managing) those who may suffer from mental illness or other disabling conditions.

Assist applicable NCPs in our Customer Service Walk-In Center with completing a court petition for a downward modification and assist with filing and serving the petition, including for incarcerated NCPs at Rikers who are due to be released soon.

Space Services Redesign Plan: Pilot expanded NYCHA MAP services at Staten Island Community Center

Align HRA services with Thrive NYC

Automatically administratively reduce arrears for NCPs currently or formerly in receipt of CA/SNAP through the Arrears CAP Program

Thank you!



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