

SCR

46



Introduced 2-18-80

Logged 2-19-80

Referred: Finance

Comm. meeting 4-11-80

" action passed out & do pass.

SCR 46  
By: Rodey, Ireland  
& Hachery

" Requesting SAHES 7-9-80  
proposal for fine service  
projects and submit  
recommended budgets which  
include receipt of funds  
under title xx of the S. Act.

INTRODUCTION OF RESOLUTIONS (Senate)(cont'd)

Social Service Programs  
(exclusion of Title XX funding) SENATE CONCURRENT RESOLUTION NO. 46, by Senators Rodey, Meland and Hackney. Requests that the Governor prepare and submit a budget for social services of the Department of Health and Social Services for FY 82 that excludes federal support under Title XX of the Social Security Act due to complexity of planning, needs assessment, monitoring, and specific service reporting requirements on social services programs administered by the state, and the regulations of Title XX have the effect of limiting those who may be served by state programs because of income, eligibility, and service restrictions based on national needs and income standards.

Introduced February 18 and referred to HESS, then to Finance.

Sen Rodey's office  
del'd.  
att'd.

Title XX of the Social Security Act  
Implications in Alaska

Title XX, as originally intended and as misleadingly titled, "Grants to States for Social Services," was designed to be a revenue sharing grant to states for services to low-income individuals. The Act, 93-647, after a thorough going over by various lobbying interests contrary to original intention did not result in a grant with options for services chosen by each individual state as to its local need. On the contrary, it is highly regulated federal matching monies best suited for the delivery of services to urban poor.

Administratively, Title XX requires states to fulfill a series of idealistic planning and needs assessment activities. It requires two plan documents. One, the Administrative Plan, must be updated depending on changes in Federal and State law. The other, the Annual Comprehensive Social Services Plan, must be published twice annually, one in Proposed form and one in Final. Both documents must include a long list of requirements pertaining to the design of the State agency responsible for Title XX services, such as cost allocation and budgeting, federal funding parameters, eligibility requirements, location of services, specifics as to the type of services which can be federally funded, public comment and planning requirements, reporting of technical information, monitoring and auditing requirements and annual needs assessment. It specifies the income level of those eligible for services and requires the state to offer certain social services to certain individuals.

Title XX for Alaska

Although Alaska receives the smallest federal grant under Title XX, \$4.520 million for 1981, it has the highest delivery costs and the largest land mass to cover. Although it does not have county governments with which to share administrative and delivery costs as other states do, it must meet the same federal requirements - there are no exceptions. The following is a very brief list of the requirements of Title XX and the resulting program effects and estimated costs in Alaska. They are listed in general order of appearance in 45 CFR 228 - Title XX of the Social Security Act.

1. (228.5-6) Designation by the Governor of a single state agency responsible for Title XX operation including:
  - a. development and maintenance of the State Administrative Plan
  - b. the Annual Proposed and Final Social Services Plan
  - c. projection of estimated expenditures
  - d. accountability of Federal funds
  - e. establishing and maintaining standards for determining eligibility for the services
  - f. administration and supervision of the provision of services
  - g. operating the program on a statewide basis - to all geographic areas
  - h. complying with Federal program reporting requirements.

Effects to Alaska: The cost impact of this regulation on Alaska by comparison to other states is enormous since Alaska does not have county governments nor a consistent local tax formula. Alaska must assure statewide delivery of services by administering the entire program centrally. Although a state may purchase services from local providers, it must continue to provide the administrative and social services worker assessment oversight and must assure that federal dollars are buying statewide services. Without the requirements of Title XX, the state could contract for services from local private providers in entirety without costly state oversight. For Example, Homemaker Services could be contracted in entirety without "Adult Protective Services" social worker supervision and assessment. This results in double the administrative costs; administrative costs for the state and administrative costs for each local service providers both necessarily having data/reporting systems, accounting systems, payment systems, supervisors, managers, etc. As we progress further through the regulations in Title XX, one can see why administrative costs are high especially for Alaska.

2. (228.7) State financial participation. "A State Plan under Title XX shall provide that state funds will be included in meeting the cost of the program" - while the federal funds available for Title XX programs totaled \$4,728,000 in FY 1980, the state share totaled nearly \$12,000,000. Certainly the state is participating; the federal 4.7 million could not produce a viable program. Paramount to this regulation is the question - how much of the federal dollar is spent meeting requirements to receive the federal funds? Estimates depend on the variables included. This writer believes that while the majority of the 4.7 million in Alaska is used to meet federally imposed administrative and service requirements not suited to Alaska's social service needs and clientele and could be used to buy more efficient and appropriate services, much of the 4.7 million can be viewed as offsetting costs which the state would incur with or without federal regulations. The question then really boils down to whether Alaskans would prefer a service program designed for and in behalf of the Alaskan people or spending the service dollar to both meet federal requirements and provide a marginally suitable service program. The state already provides the lion's share of the funds. On the other hand, the federal government provides less than one third of the funding and nearly 100% of the service requirements.
3. (228.8) Statewide operation - the argument continues from item #2 in that the federal government requires statewide operation (something all Alaskans want but usually ask for different services in different locations depending on the residents priority needs), but only foots less than one third of the bill.

4. (228.12 & 13) Federal regulations in this section set forth standards for residential facilities and day care centers and homes. Alaska has already been forced to discontinue federal funding for day care, foster care and institutions, since Alaskan facilities typify Alaskan conditions and don't fall within lower 48 urban architectural conditions and staffing standards. However, we must still meet these requirements for eligibility for general Title XX funding. This is an example of inappropriate requirements for Alaska causing additional administrative costs.
5. (228.17) Reports and maintenance of reports. This requirement, a paperwork requirement, requires the state to supervise and maintain records and provide regular federal reports on the services, service costs, determination of individual eligibility, etc. Most of these records and reports are of absolutely no interest or worth to state program and financial operations. This requires the state to maintain an expensive computerized management and individual client record system which is designated primarily to meet federal regulation. Information requests from our own Alaska legislature, state auditors and administrators, also necessitates operation of such a system; however, it is often frustrating to not be able to provide appropriate and accurate information for one's own use since the system must provide the necessary federal reports required for federal funding and is primarily designed to do so. Eliminating federal reports and requirements from the system design would free up the system for appropriate and meaningful state use.

Probably the most frustrating effect of the federal requirements for reports and records comes from the social worker's point of view. An estimated 15% of all direct service staff time is spent complying with various federal reporting and paperwork requirements. Inherent in the field of professional social work practice is the necessity to maintain case summaries and reports, court testimony and reports, etc. These items are necessary. However, federal requirements are often unnecessary and impractical bureaucratic paperwork, creating tasks of little meaning to their casework, their supervision, or their clients. This is 15% of social worker's time wasted translating in dollar amounts to \$700,000 in FY 1980 Social Services BRU which could be better spent in providing services to individuals or providing information or reports on Alaska's own service needs and problems.

6. (Subpart C beginning with 228.20) "Comprehensive Annual Social Services Program Plan" - this section requires the publication of the Proposed and Final Annual Social Services Plan and specifies what must be in the plan, including specifications concerning:
  - a. a time-line for the planning process (does not synchronize with the State's own budget planning process)

- b. methods of receiving public comments - this is designed for an urban ear in mind and is not workable in Alaska's rural vastness. We have to comply regardless, thus preventing the expenditure of funds for more appropriate public input in the services program.
  - c. Federal goals and objectives each service must be directed towards accomplishing.
7. (Subpart C, D, E, and F beginning with 228.24) The individuals which federal regulations allow to be served. This includes requirements of maximum income for eligibility, services to people on public assistance programs, requirements for fee schedules for services to individuals with incomes over 80% of the national median income, etc.

The services eligibility and financial limitation sections of Title XX regulation are the primary restrictions in Title XX with reference to Alaska's social service program. Title XX which started out being revenue sharing grants to states for any social service program desired and needed by a state, became a program restricted for delivery to the "urban-type" poor. As an example, the "Fifty Percent Rule" (228.56) requires that one-half of the federal funds must be used for services to individuals receiving AFDC, SSI or Medicaid. In an urban low income area of the lower 48 states, there are high concentrations of people receiving federal assistance. Social service programs may be directed to these populations with relative ease. In Alaska, public assistance recipients are scattered widely in bush locations. Furthermore, the average income in Alaska is nearly double the national standard, making individuals with low incomes in regard to Alaskan standards ineligible for federal assistance programs. Finally, Alaskans generally believe that individuals and families having problems should receive services no matter what their income; this is the reasoning behind our current program design - services are provided without regard to income only. Federal regulation provides that services to victims of abuse, neglect, or exploitation can be without regard to income eligibility. However, the 50% Rule for public assistance recipients still applies, meaning that although victims of abuse, neglect, or exploitation are eligible for services without regard to their income, one-half of the service expenditures must be in behalf of federal financial or medical assistance recipients.

As an example of the constraints caused by federal services and eligibility requirements on Alaska's services program, homemaker services is probably the most critical. Homemaker support as it is now incorporated into the services offered to Alaskans (mostly to the elderly and handicapped) provides over 1.0 million in Alaska's federal match. Since Alaska chooses to offer this service without

regard to income and with regard to an individual's circumstances and needs, it must be a "protective service." After service is initiated, data clerks in Central Office must search public assistance records to verify federal financial assistance eligibility for meeting the "50% Rule." Sixty-seven percent (67%) of all homemaker recipients are receiving federal public assistance, meeting a large percentage of Alaska's requirements under the "50% Rule." Many advocates for de-institutionalization, the aging and handicapped would like to disassociate homemaker service from both Adult Protective Services as well as restrictive federal income eligibility requirements. Social service administrators, direct service personnel and professional homemaker service providers agree with this effort. However, such a move would jeopardize the state's claim for federal funds in the amount of over 1.0 million.

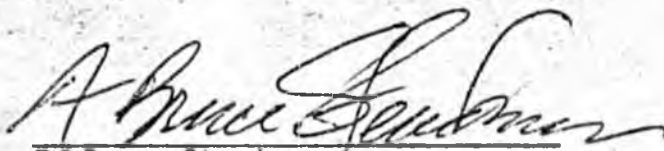
The State's child protective services program is another example: Alaskans generally believe that a child in danger of abuse or neglect deserves services whether their family is financially stable or not. This is in keeping with national efforts and beliefs as well. However, the 50% Rule applies. As in homemaker service, data clerks in Central Office must verify a child's eligibility for federal categorical assistance programs. In the case of Child Protective Services, only 30 percent of all children receiving services qualify for meeting the 50% Rule. The largest portion of these children are eligible due to their being placed out of their home by the state in foster care. Foster care placement makes them eligible for medicaid. If children are served while in their own home, they are not eligible. In other words, services to children in their own homes jeopardizes federal funds. This is contrary to all goals for children services in Alaska.

3. Title XX Training (45 CFR 228.80 Subpart H) Under Title XX there is a separate federal funding allotment for states to be used for training of staff providing Title XX social services. In Alaska, these funds are used to train social workers in delivery of adult and child protective services. Since it must be used only for Title XX services, state funded social services are restricted from utilizing this resource. Foster parents, local private contractors, municipalities, other state agencies - all providing valued Alaskan social services may not use the states only social services training program since it is partially funded with federal Title XX money.

To Summarize:

1. Federal regulation under Title XX has the effect of restricting the service clientele in Alaska from those who need services due to income, eligibility and service limitations based on national needs and income standards.

2. Federal regulations indirectly result in social service administrators not being able to design an appropriate program for Alaskan's with reference to local Alaska's social service needs.
3. The social services dollar in Alaska could be utilized for more effective direct services if federal regulations causing unnecessary administrative overhead were eliminated.
4. Federal Title XX training funds may not be utilized to train staff who are providing services funded through other resources such as Indian Child Welfare monies, state-only funded services, such as the State's aging and youth programs, etc.



F. Bruce Steadman  
Title XX Planner

## FISCAL IMPACT

DSS programs for FY 81 will exceed \$20,000,000. The Title XX ceiling is \$4,649,000 (plus \$280,000 for training), less than one quarter of the total expenditures, yet because of federal regulatory requirements, the federal government, in effect, "drives" the Division's overall program. Sensible, forthright innovations, as seen by Alaskans, are difficult to put in place. It's a bargain for the Federal government: for 4.6 million they get to control, in a significant way, 20 million and social services delivery in Alaska.

Title XX, in itself, is not an innately bad law. Not in intent. The intent was to assist low income families in avoiding dependency, or becoming victims of abuse and neglect, or becoming institutionalized. The problem is, those things can happen to any of us, no matter what our economic status may be. Yet, to be eligible for Title XX monies, state programs making Title XX claims must spend at least one half of the claim on services provided to low income families. Or face withdrawal of funds.

But whereas the Title XX law is not innately bad (helping the poor, after all, is not an ignorable objective) the regulations that followed the law, are. All regulations are restrictive. Some are positively so. Some are mindlessly so. And some, like Title XX regulations, are destructively restrictive. Two short examples:

1. If a child is taken into custody, because of abuse or neglect, and placed in an institution, he is considered to be without income and, therefore, on the "good" (poor) side of the 50% rule. This applies regardless of the family income. But if a treatment plan is developed, whereby the child remains in his home, and the family's income is above the national poverty line, he falls on the "bad" side of the rule. Too many children treated at home jeopardizes Title XX funding. Better to institutionalize them.
2. The Division wants to train staff and providers of Title XX services. The regulations state that any training session must last at least five days. Four days - Title XX funds withdraws. This might fall more into the mindless (and wasteful) category, except that it does jeopardize valuable training possibilities. For example, DSS plans training for specialized foster parents. The initial session lasts five days, but it would be more appropriate to have follow-up two day sessions after foster parents begin providing care for children. Five days are unnecessary; to extend these sessions would be padding, both in training content and in money spent. Furthermore, many foster parents could not take that much time away from their homes - and the children they are trying to help! It may, therefore, be necessary to cancel the follow-up sessions.

All of the above may not have much relevance to "fiscal impact." To lose Title XX means a loss of 4.9 million dollars in Federal funding. To free the state from strings which attach to these dollars probably cannot result in concomitant offsetting reductions in the state budget. That is, it is estimated that 15% of staff time is taken up with Title XX compliance; in dollars this runs to about \$7,000,000; therefore, a 15% reduction in staff could take place and offset \$7,000,000 of the \$4,900,000 federal loss. This would be difficult to implement. Smaller offices would be reduced (e.g., 15% of one or two social workers?). Reduction would have to be made only in the larger offices, such as Anchorage, Fairbanks, Juneau and Ketchikan. To make such reductions could save about \$400,000.

The real fiscal impact would not be seen in this coming budget year. But the implications for the future would be significant. Alaska would not run its social services program in isolation from the other states and the Federal government. It would accept all the valuable information and consultation it could obtain. BUT ALASKA WOULD MAKE ITS OWN DECISIONS. And we, as Alaskans, ultimately being the only legitimate experts on Alaska, could not help but make more responsible fiscal plans, decisions, and implementations. Not to mention a drastically improved quality of social services delivery.

With the demise of Title XX and with the retention of staff as provided for in the FY 81 legislative budget, DSS could make this promise: no further requests in future years for Division staff unless warranted by an increase in state population. This is, in fact, a very large promise, for social service needs in Alaska are awesome. But with the freedom to act independently (independently of HEW, responsible to Alaska) DSS is confident it could provide a first rate program for our state, one that could match any other state. Well that's almost a cop out. Matching any other state's record in the delivery of social services wouldn't be all that difficult. We would have the best.

TITLE XX TRAINING  
Implications for Alaska

Under Title XX of the Social Security Act, states are granted funds for personnel training. Training includes in-service training, and short and long term training for personnel directly related to providing services under the State's approved Annual Title XX Plan. Regulations and restrictions to allowable costs for federal financial participation in training are found in 45 CFR 228, subpart H.

Federal funds are available, then, to Alaska for training staff individuals who are directly, or through contract, providing services which are claimed for federal financial participation in the State's Annual Title XX Plan. In Alaska this means that we may only claim for training Division of Social Services' personnel, foster parents directly serving child protective service clients and homemaker support service providers. As with all federal funding, there are many restrictions and program consequences associated with receipts.

Many of these restrictions are generated from regulations and requirements of the general Title XX services program. Other problems result from the fluctuation of federal funding available after state budgets are prepared. For the most part, however, Alaska's unique geography, service needs and political subdivisions were not taken into account when Washington bureaucrats and big-city lobbying interests developed the training regulations. The following is a list of funding limitations and program restrictions and their consequent implications for Alaska's social services training program.

Training Funds Amount

Until October of 1979, federal training funds were not limited as they are in the general Title XX services allotments to states. Training programs were, therefore, only limited in Alaska by the amount of the 25 percent match appropriated by the legislature (federal training funding is based on a 75/25 federal matching formula).

On October 1, 1979, following the beginning of Alaska's 1980 fiscal year on July 1st, the Division was notified that the federal money available to Alaska for Title XX training was being reduced from \$270,300 to \$154,000. This is currently a tentative reduction pending action by Congress which will reportedly change the appropriation again. Obviously, it is virtually impossible for the Division to plan and manage a training program for Alaskans when funding is not stable nor the amount of funding is not known before administrative and legislative budget planning.

Providing that Congress acts on pending training legislation, Alaska will be allotted training funds based on population. Once again, Alaska's relatively small population will prevent adequate delivery of a service to a state service network where cost is higher due to expensive travel and per diem costs. To be more specific: the proposed funding formula will allow each state 3 or 4% of its general Title XX allotment (4.620 million for Alaska FY 81) for training. This allotment is based on Alaska's percent of the total United States population. In an urban state where training centers and programs are available with little or no travel costs, and where population is densely distributed, this allocation formula is not unreasonable. As an example - at the 4% formula for training, Alaska will receive \$184,000 compared to the state of Washington's \$1,730,676. Washington has virtually no travel costs in providing training. The majority of training expenses in Alaska is travel to and from training locations.

#### Who May be Trained (228.81)

Due to the inadequate federal funding received to operate Alaska's Title XX services program, Alaska limits its Title XX plan to claiming federal funds on three services - Information and Referral, Child Protection, and Adult Protection. Other states' federal Title XX funds are claimed for vocational rehabilitation services, alcohol and drug abuse services, aging services, correctional services, mental health services, local preventative services, and so on.

Federal regulation only allows states to train individuals (state, local, private providers, and volunteers who are directly involved with Title XX program services. Consequently, in Alaska, our training program is limited to DSS staff whose salaries are claimed for federal Title XX financial participation, foster parents who provide a resource to Child Protective Service children and Homemaker Service providers who provide an Adult Protective service. This compares to other states who may provide training to nearly everyone in their state who provide some sort of human service.

One of the stated objectives of the Department of Health and Social Services and the Division of Social Services is to shift the emphasis on provision of services from state agency services to local private provider services. Native corporations and municipalities would, therefore, be funded by contract to provide early intervention and prevention services. However, much to the disappointment of both the local providers and state administrators, Title XX regulation prevents the state from assisting in the training of these non-Title XX providers. Effective delivery of services and effective use of state funds often relies on the abilities and preparedness of the staff. Specialized training has a significant impact on the ability of human services staff to provide meaningful and practical services to Alaskans. Since Title XX funds the only human services training center in the State, and most private provider agencies are small with meager administrative resources,

it seems appropriate that they could receive training from the State's training center, sharing the resource with other state and locally funded agencies. Unless the state funds, other than the required 25 percent match, are provided for training, or the state expand its limited Title XX program, other providers of Alaskan human services may not utilize this training resource.

#### Training Activities Federally Matchable

Federal regulations are very specific as to the type, conditions and length of training which will be paid by federal funds. The following is a list of Title XX training activities which are seventy-five percent (75%) federally funded.

1. State agency employees and Title XX service contractual providers in full-time training of eight consecutive weeks or longer...feds will match salaries, fringe benefits, travel and education costs for state employees and travel and education costs for providers.
2. For state employees and private providers in full-time training for five full consecutive days or longer - travel, per diem, and education costs.
3. For state employees and private providers in part-time training less than five consecutive days - only education costs.

Comment: Item 2 and 3 above have been particularly troublesome for Alaska. In plain language, we may not pay for travel to and from training unless the training itself lasts five full days or more. Many times, the particular training need does not require five days. However, in order to get federal matching we must ask foster parents, homemakers, and social workers to be gone from their jobs or home for an entire week resulting in loss of time and costly administrative arrangements. In other states where travel is usually by personal care and is an insignificant cost factor, the five day training requirement is not a problem. In Alaska, where travel from one small town to the next is by expensive air travel, the costs are significant and as a result of the five day minimum administrative and service delivery time loss is also significant.

Alaska has fought this regulation on the basis that a training activity should include the time spent traveling to and from training, since in Alaska training participants must often travel a great distance (i.e., Barrow to Anchorage) to receive training. Therefore, a day of travel before and after three days of training would equal five days. This concept has been rejected, causing providers and state personnel to frequently be gone seven days instead of five and requiring additional time away from the job and additional per diem expenses. Once again, it seems that federal regulation has been written for urban areas without flexibility for Alaskans operating in different geographic and unique population distribution circumstances.

4. Purchasing Training Activities From Private Sector Experts

Federal funds are only available to pay private individuals and agencies (not state agency training employees) specializing in human service training for salary, fringe benefits, travel and per diem. Federal funds will not pay overhead costs such as clerical, equipment and rent. This prevents the state from purchasing training services from private providers since they are not able to pay their overhead costs. The state is able to contract with individual trainers and experts from local agencies as long as only their salaries are claimed for federal matching.



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DURING SESSION

POUCH V  
JUNEAU, ALASKA 99811

Alaska State Senate  
JUNEAU, ALASKA 99811

M E M O R A N D U M

TC: Sen. Glenn Hackney

FROM: Sen. Pat Rodey *PR*

DATE: April 16, 1980

SUBJECT: SCR 46, RE: Title XX Funds

I would very much appreciate it if you could expedite this bill being passed out of your committee as soon as possible. Thank you.

*Mary -  
Let's set for Monday 4/21  
4-17-80  
Rodey notified  
Ⓟ*