



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name:

Department No.:

For Agenda Of: 11/10/09

Placement: Administrative

Estimated Tme:

Continued Item: No

If Yes, date from:

Vote Required: Majority

TO: Board of Supervisors
FROM: Legislative Program Committee
Contact Info: Kathy Gallagher, Director, Social Services, 681.4451
Terri Nisich, Assistant CEO, 568.3400
SUBJECT: Centralized/Privatization of Public Assistance Programs (ABX4 7)

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: Department of Social Services

As to form: Yes

Recommended Actions:

That the Board of Supervisors authorize the Chair to send a letter opposing the implementation of a centralized privatized statewide eligibility determination and case management process for the public assistance programs of CalWORKs, Medi-Cal and Supplemental Nutrition Assistance Programs (Food Stamps) to the Governor, the Secretary of Health and Human Services, the County's elected State delegation and the California State Association of Counties.

Summary Text:

ABX4 7 was signed into law by the Governor as part of the State budget on July 28, 2009. This bill will allow the State Department of Health Care Services and the State Department of Social Services to contract with a private vendor to perform eligibility determinations for Medi-Cal, Food Stamps, and CalWORKs using a large statewide automation contract centralized in Sacramento. The item being considered by the Board of Supervisors is to authorize the Chair to send a letter opposing the privatization of the statewide eligibility determination and case management process (see attached letter).

Background: *

Per Section 10200 (a)(1) of ABX4 7, the development of a statewide eligibility and enrollment determination process for CalWORKs, Medi-Cal and SNAP is predicated upon achievement of the following outcomes:

- (A) Facilitate better access to services and aid for eligible clients.
- (B) Lower the costs of enrolling persons into CalWORKs, Medi-Cal, and SNAP without reducing access.
- (C) Improve consistency of eligibility determination and enrollment approach and processes statewide.

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- (D) Create an efficient process that eliminates redundancies and inefficiencies.
- (E) Employ state-of-the-art technology to improve efficiency of the eligibility determination process.
- (F) Minimize the number of technology systems that the state shall support in performing the eligibility process.

However, the California Welfare Directors Association and the County's Department of Social Services believes that a centralized privatized statewide eligibility determination system will not achieve these intended outcomes and, based upon previous attempts to automate similar services within California and the experiences of other states such as Indiana, Ohio, Texas, Washington and Washington, DC/District of Columbia, may actually increase costs and jeopardize services to clients.

Potential local impacts of implementation include:

- No local offices for clients to access (for public assistance and emergency services, (i.e. expedited food stamps, CalWORKs homeless assistance)).
- A privatized state automated system assumes that all applicants have access to a computer and are computer-literate. Access issues may prevent clients from applying or renewing benefits, including clients considered to be the most vulnerable (children, aged, disabled, etc.).
- A privatized state automated system will not be able to recognize and adapt to the barriers that exist for varying clients (i.e., mental health issues, physical disabilities)

While the proposed letter articulates the County's opposition to implementing a centralized privatized statewide eligibility determination and case management process for these public assistance programs, it also demonstrates the County's support for the State to use an existing single statewide automated system administered by a county to meet federal requirements. In addition, the letter expresses the County's support for increasing efficiencies through automated enrollment and technology.

The County's Legislative Program Committee (Supervisor Salud Carbajal, Supervisor Janet Wolf, Auditor-Controller Bob Geis, County Executive Officer Michael Brown and County Counsel Dennis Marshall) considered this issue as part of its discussion of the County's 2010 legislative platform during its November 2, 2009 meeting and voted 4-1 (Brown) to include this item as part of the 2010 legislative platform (the Board of Supervisors will consider the entire 2010 legislative platform in January 2010). However, per ABX4 7, the State Department of Health Care Services State and the Department of Social Services are required to convene a stakeholder steering committee for consultation in the development of the statewide eligibility and enrollment determination process and comprehensive plan. This letter would document the County's position of opposing the implementation of a centralized privatized statewide eligibility determination and case management process.

Fiscal and Facilities Impacts:

Budgeted: No While the State is proposing to implement a centralized automated system to achieve savings (estimated at \$500 million a year), there is debate regarding whether these savings will materialize and whether services to clients will be hampered.

Attachments:

- (1) Proposed Letter Opposing Privatization of County Public Assistance Programs
- (2) Bill Text of ABX4 7