

## DHS FY-18 Reductions

\$ = State Millions

1	FY-18 Appropriation	\$ 699.9
2	FY-17 Estimated Carryover	\$ 3.0
3	Add new 3% fee to Child Support cases	\$ 1.0
	The 3% service fee for the collection of Child Support per state law effective July 1. The service fee will not exceed \$10 per month or \$120 annually on child support collected. Individuals receiving TANF and Medicaid will not be subject to fee.	
4	FY-18 Estimated Available Funding	\$ 703.9
5	FY-18 Initial Operating Budget	\$ 719.0
6	FY-17 & 18 Fund Adoption Assistance Growth	\$ 14.0
7	FY-18 Operating Budget: No Program Reductions	\$ 733.0
8	FY-18 Reductions with Appropriation (Line 7 less Line 4)	\$ (29.1)
	<b>FY-18 Reductions</b>	
9	Child Care Subsidy enrollment freeze Oct. 1 (6 mos.)	\$ (4.0)
	DHS will stop taking new applications after the start of the school year. On average, DHS authorizes nearly 850 applications per month, impacting more than 1,000 children per month. Exceptions to the freeze will include foster children, adopted children, families participating in TANF, disabled children, homeless families and teen parents. Freeze may jeopardize child care homes and centers that predominately serve families who receive subsidy.	
10	Reduce SmartStart July 1	\$ (0.5)
	Continue support for statewide improvements in services for young children but end state funding for local projects.	
11	Reduce ADvantage Medicaid Waiver Case Management cap and Personal Care cap July 1	\$ (9.2)
	The case management reduction is an administrative reduction by the providers. Agencies will be authorized to bill for fewer CM units. The personal care reduction is a service reduction of approximately a half hour per week. Reduction would be made by clinically reviewing all service plans requesting greater than the average number of hours billed. For the highest using clients, this may mean a reduction from 20 hours per week to 15 hours per week. Providers and advocates recommended both of these reductions in lieu of a freeze to the entire program.	
12	Reduce Older American Act State Overmatch Oct. 1	\$ (1.7)
	With the state dollar reduction, estimated 277,000 meals lost, possible closure of up to 30 meal sites (including 2 or more AAAs), primary location of risk in western Oklahoma.	
13	Reduce DDS Medicaid In-Home Support Waiver caps and eliminate voc. leave July 1	\$ (2.9)

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The Adult waiver cap will be reduced to \$14K per year (1,236 clients would lose approx. 6.8 hours per week of services). The Children's waiver cap will be reduced to \$9.3K per year (113 clients would lose approx. 4.25 hours per week of services). Remove funding not spent at end of fiscal year from state-funded services. No longer reimburse vocational providers when client absent from program (vacations, holidays, medical). Providers and advocates recommended these reductions in lieu of total elimination of programs.

14	<p><b>Reduce Foster Care &amp; Adoption Rates 5% Aug. 1</b></p> <p>This rate cut will mean a reduction of approximately \$1 per day to the reimbursements to foster families and subsidy payments to families who have adopted children out of foster care. However, the rates will still be about \$4 per day higher than they were previous to the beginning of the Pinnacle Plan in 2012. Foster care payments reimburse foster parents for cost of housing, food, transportation, clothing, educational and miscellaneous expenses associated with raising a child. This would impact 5,616 open foster homes and 9,973 adoptive homes which have placement of 7,320 foster children and 16,632 adopted children.</p>	\$	(4.2)
15	<p><b>Reduce TANF Work contracts July 1</b></p> <p>DHS will require contractors to absorb this reduction administratively and not reduce services to TANF recipients.</p>	\$	(0.4)
16	<p><b>Administrative &amp; Internal Reductions: reduce contracts, positions, IT, training, office closures/consolidations - ongoing</b></p> <p>DHS will close or consolidate a number of offices around the state throughout the 2018 fiscal year. Existing staff will telework or be moved to nearby county offices or community partner office locations. The actual locations of the offices to be closed/consolidated to be determined. Reduce contracts, positions, OMES-IT, training.</p>	\$	(3.4)
17	<p><b>Additional Reductions TBD</b></p> <p>Additional reductions are under review. Final decisions have not been made on a variety of options.</p>	\$	(2.9)
18	<p><b>Total Proposed Savings</b></p>	\$	(29.1)