



County of Fairfax, Virginia

To protect and enrich the quality of life for the people, neighborhoods and diverse communities of Fairfax County

DATE: March 15, 2013

**Human Services
Council**

TO: Chairman and Members
Board of Supervisors

FROM: Kevin H. Bell, Chairman 
Fairfax County Human Services Council

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SUBJECT: Recommendations Regarding the FY 2014 Advertised Budget Plan

The Human Services Council appreciates the opportunity to provide comment and guidance on the FY 2014 Advertised Budget Plan.

This memorandum to the Board expresses the Human Services Council's views and concerns about the FY 2014 Advertised Budget Plan and highlights several critical areas for the Board's consideration.

Human Services System on the Edge

- The gap between resources relative to human service needs is widening. The cumulative impact of several consecutive stringent budgets leaves our community facing a critical juncture in balancing its human service needs against available resources.
- The system is stretched thin, limiting significantly the ability to respond to increasing service requirements. While community needs, caseloads, and participation levels have rapidly risen, General Fund support of human services departments has remained relatively flat since FY 2008. This situation puts our entire community at risk.
- Looming federal and state reductions exacerbate the FY 2014 budget reductions and affect future years.
- The Council emphasizes the need for data-driven decision making regarding allocation of resources. There is continued positive movement toward accountability and results.
- The cumulative negative impact of budget constraints within the last several years compounds the limits on service capacity. For example:
 - Between FY 2008- 2014, the net cost for the Department of Family Services rose by only one percent (\$81.0 million to \$81.8 million), a mere 0.2% per year. At the same time, caseloads and workload increased rapidly -- Adult Protective Services Investigations up 21.8%, Public Assistance caseloads increased 50.7%, Child Protective Services Assessments or Investigations rose 29.3% and Comprehensive Services Act clients increased 16.2%.
 - Since 2010, attendance at senior centers has increased 14.0%.
 - The number of participants with autism within Therapeutic Recreation Services programs has increased by 23.0% since FY 2010.
 - Communicable disease investigations by the Health Department increased by 11.5% from FY 2011 to FY 2012.
 - The demand for services such as speech therapy, physical therapy, occupational therapy, and family education for Infants with Developmental Delays has grown by over 46.0% in the past two years, now providing services to over 1,500 families annually.

The Human Services Council's Responsibility

The Council continues to take its responsibility seriously, specifically regarding its role to provide guidance on funding requirements and issues of critical importance for the human services system. To engage the entire community in discussion on priorities for the system, over the past 18 months, the Council has:

- Discussed information with County leadership, staff, advisory groups, and community stakeholders on trends, service drivers, and needs in the context of six strategic human services focus areas;
- Held dialogue sessions with the community, providers, service recipients, the faith community, advocacy groups, and interested residents; and
- Surveyed Boards, Authorities, Commissions and other interested stakeholders to solicit ideas.

The community provided a detailed understanding of the array of programs, service gaps long-term needs, and results of the County's investments in human services necessary to support the Board's goals and vision for the County. These efforts prepared Council members to advise the Board regarding human services needs and the impact of reductions affecting cross-system work. It has also heightened our collective concerns on the effects of reductions over the past several years and the implications of probable federal and state funding cuts.

The Council recognizes that many county residents have suffered job and income loss and struggle to meet daily expenses. Rising expenses for gas, food, housing, and taxes are a current reality. Although many in our community are doing well, given the struggling economy, potential job losses resulting from federal sequestration, and other pressing issues, County residents are concerned about both the need for additional resources to address service demands and the possibility of continued reductions in services in light of competing demands on use of tax dollars.

Comment on the County Executive's Budget

The Human Services Council appreciates County Executive Edward L. Long's commitment to an effective safety net of human services. While we are wary about the impact of the proposed cuts on the human services system, we recognize that he has taken a measured and thoughtful approach. The Council applauds the County Executive's multi-year budgeting strategy that:

- Frames an understanding of key budget drivers that will affect the County for multiple years;
- Identifies the critical relationship between revenues and operational requirements necessary to maintain services that ensure a vibrant community;
- Supports better coordination between human services and other county entities to optimize the county's resources to achieve better outcomes for families and individuals; and
- Allows a budgeting approach to incorporate realistic projections of increased human service needs and funding requirements that support the Board's strategic priorities.

The Council acknowledges the difficult choices the County Executive made in balancing competing county priorities. The Council especially appreciates his consideration and rejection of a full 5.0 percent funding reduction in order to preserve, to the extent possible, the vital safety net of services.

In addition, the Council supports the County Executive's recommendation for an \$8 million reserve fund to address cuts that result from sequestration and other federal and state cuts. Implications for the looming federal reductions will be inordinately harmful to the continuum of services provided to our vulnerable neighbors served by the human services system. The cuts have a disproportionate effect on the human services system; although county-wide federal funding is approximately 1% of General Fund revenues, the human services system receives 20% of its revenue base from federal funding. Therefore, the Council recommends the Board assure that the bulk of the reserve is allocated to human services.

The Human Services Council supports the strategic and funding initiatives for human services that are included in the FY 2014 Advertised Budget. Three examples are:

- \$7.62 million for Fairfax-Falls Church Community Services Board (CSB) requirements, including support for the Infant-Toddler Program and services for new graduates with intellectual disabilities;
- \$2.5 million to fund the local match requirement for a rate increase for the Child Care Assistance and Referral (CCAR) program; and
- \$1.7 million revenue enhancement for the School Age Child Care (SACC) program.

Specific Guidance on the Proposed FY 2014 Budget

The Council urges the Board to consider restoring funds and immediate resources to meet the following critical demands and service expectations of the community:

1. Restore funding for the Community Health Care Network (CHCN) (\$751,826)

This funding will ensure that the system continues to maintain the most critical CHCN services. This includes, for example: providing laboratory testing; filling approximately 9,000 prescriptions annually; obtaining thousands of free medications from pharmaceutical companies; coordinating nearly 10,000 specialty referrals annually; developing an efficient patient scheduling system; and promoting financial accountability of the health care network.

2. Create a Human Services Resource Stabilization Fund (\$1,250,000)

In the final FY 2010 and 2011 budgets, the Board sought to offset the potential adverse impact of reductions to human services by appropriating \$1,000,000 reserve funds to address emerging and long terms needs, increased service requirements, and support to vulnerable nonprofits. Each year this fund provided critical flexibility that proved highly effective in plugging gaps in the human service system as they developed. This was a wise approach that should serve as a template for decision making in this budget process.

Providing flexible and accessible funding will allow management to address critical needs that arise and to fill emergency staffing gaps. In order to maintain current service levels to our most vulnerable residents, the Council recommends this amount to establish a fund to provide the Deputy County Executive capacity to allocate contracted services and merit full-time positions to critical areas in jeopardy of being compromised. Many departments must manage significant position vacancies to remain within their budgets. This is tantamount to a “shadow cut” and impacts several areas within the system that were neither intended nor desired.

3. Fund a County-wide Prevention Planning and Coordinating Function (\$250,000)

Prevention practice today uses a new paradigm, placing emphasis on overall population health, incorporating the inter-relationship between outcomes and underlying factors affecting well-being. To realize fully the vision and impact of this new practice requires a shift in the organization and delivery of County’s services, necessitating a centralized planning and coordination function that does not currently exist in human services. The Council proposes that an increased investment in prevention is the cornerstone necessary to address challenges facing the community. A modest investment of \$250,000, when combined with the already established Prevention Fund, will provide adequate resources for effective community education, flexible contracted service delivery, and timely provider support.

4. Fund Employment Services to Support the Targeted FY 2014 Housing Blueprint Goals (\$900,000)

Over the past two years, the Board has heard about the importance of housing services supports and, in particular, the need for employment services that are specific to residents who are homeless. The recent “100,000 Homes” effort and interviews with persons who are homeless, showed that many individuals have jobs but still cannot escape homelessness. Individuals with few skills or little experience, find

limited opportunities for jobs that pay a living wage. Additionally, many persons who are homeless have barriers including limited transportation, reduced access to educational training, and job support programs. In today's competitive environment, the difficulties of job seeking for individuals who are homeless can be almost insurmountable barriers to employment. This funding would provide the resources to develop targeted employment services that support the housing blueprint.

5. Monitor Implementation of the Department of Justice (DoJ) Settlement (\$168,857)

The County faces significant financial risk associated with serving individuals who may be placed into the community as a result of the state's DoJ compliance plan regarding state training center residents. The County must continue monitoring the service and financial implications of the state's implementation efforts. To do this, one of two senior management positions identified for elimination by the Fairfax-Falls Church Community Services Board (CSB) should be retained, funded, and given the task of monitoring the implementation of the DoJ settlement.

Looking Toward the Future

The Human Services Council is increasingly concerned about the future of the human services system. The Council has provided the Board additional detail regarding current and future human service needs and trends in the attachment to this letter. The Council respectfully requests an opportunity for future discussion with this Board regarding a long-term perspective for human services for the following areas:

- Promoting Prevention and Early Intervention Strategies
- Emphasizing Results-Based Decision Making
- Ensuring Resource Flexibility
- Thinking Long-Term, Addressing the Near-Term

Conclusion

The funding that Fairfax County devotes to human services is a prudent investment. It sustains a basic quality of life that our Fairfax County residents want and deserve. The County's investment in prevention-oriented initiatives and strategies results in a high return on investment, and avoids greater costs in the future, such as serious and more costly health problems, increased juvenile delinquency, and increased homelessness.

As the Council enters its 25th year of service, members are committed to supporting and engaging the community. The Council looks forward to meeting with the Board of Supervisors' Budget Committee on March 18, 2013.

Thank you for your time and thoughtful consideration.

cc: Human Services Council Members
Edward L. Long, Jr., County Executive
Patricia D. Harrison, Deputy County Executive
Susan W. Datta, Chief Financial Officer, Department of Management and Budget
Human Services Department Directors

Attachment

Creating and Maintaining a Long-Term Perspective for Human Services

Over the past few years, the Council has had the increasingly arduous task of identifying and evaluating potential changes to the County's human services budget to minimize the impact on constituents and stakeholders. This year, the system has reached its threshold and is no longer able to support further reductions without a critical loss in productivity and output. The reason the system is in this condition is that the need is greater than the resources to meet those needs, resulting in:

- Overworked and insufficient staffing;
- A lack of investment in much needed infrastructure; and
- Reductions in capital resources that would enable the human services system to keep up with the growing demand for service.

Several consecutive years of economic stress, now potentially compounded significantly by sequestration, have severely affected the County budget and the economic stability of the County and the region at-large. Despite the challenging fiscal climate, the Board needs to take positive and proactive measures now that will prepare the system for the next decade and beyond. Areas for future work include:

Promoting Prevention and Early Intervention Strategies

Prevention and early intervention strategies are perhaps the wisest public policies the Board can support. The dime spent now on prevention will save the dollar we must spend later for remediation.

Nowhere in the County budget is prevention more effective than in human services. A robust investment now will, in many cases, prevent the need for far more costly actions in the future. These investments include resources for newborns, young children, youth, families, adults, and seniors – the entire spectrum of County residents.

The Board needs to make substantial funding investments to implement best-practices in human services. Two successful examples in prevention and early intervention strategies are:

- ***Housing and Homeless Prevention Efforts.*** The County's housing and homeless prevention efforts have yielded significant positive outcomes resulting in a reduction in the overall homeless population. Prevention services included assistance with rent, utilities and security deposits necessary to resolve a housing crisis and prevent homelessness. Rapid Re-Housing provided housing stabilization and support services critical to moving individuals and families who were homeless or living in emergency or transitional housing back into the community, while helping them work toward self-sufficiency.
- ***Achieving Financial Independence.*** The Department of Family Services, by identifying additional internal resources for the Self-Sufficiency program, provided additional employment services and assistance to economically disadvantaged populations. This enabled individuals and families to achieve and maintain the highest level of productivity and independence equal to their abilities.

The Council advocates increased adoption of prevention policies. The examples above highlight the benefits of implementing prevention strategies in the community. Studies show that prevention programs also improve the health and well-being of communities while reducing reliance on human service resources.

Emphasizing Results-Based Decision Making

During this period of fiscal pressures and budget reductions, many service organizations, both public and private, in the County's human services system have reevaluated their business operations. They found new ways to operate more efficiently and diversify their funding sources to the extent funding is available. County management has instituted new "results based accountability" approaches that will use detailed metrics to evaluate programs and resources. These evaluation processes are still in their developmental stages, but will yield significant improvements in delivery, thereby allowing the Board to make improved budgetary decisions and investments in the future.

The Human Services Council commends the efforts on the part of the human services staff and the nonprofit partners to deliver more effective services with fewer resources. Often, this entails looking for opportunities to provide less intensive, more proactive community-based services, instead of reacting to crises with expensive residential or other "last resort" services that are often required by state regulation.

An example is the long-term care services and supports program, a cross-system effort by several departments (Health, Family Services, Neighborhood and Community Services, and the Fairfax-Falls Church Community Services Board). This effort resulted in significant budget savings, the development of cross-system performance measures, and the development of a new "front door" that provides a single, coordinated system of information, assessment, and referral, thus greatly expediting client access to services.

Ensuring Resource Flexibility

The human service system requires real flexibility in order to meet demands and maximize efficiency. This is especially true in two intertwined administrative areas—position vacancies and funding flexibility:

Position Vacancies. Position vacancies unfilled at the budgeted rate subjects some programs to significant unpredictability. The system constrains management unreasonably in applying potential resources where they are most needed. While this policy has broad implications across all County services, the Council notes this is most urgent in human services where problems can turn quickly to human health and safety crises. Further, agencies in which the position vacancy rate is very high suffer shadow service reductions, frustrating the expectations of the public and hampering the service providers in maintaining basic program functions.

Funding Flexibility. Flexible and accessible funding allows the County Executive and the Deputy County Executive to address critical needs that arise and fill emergency staffing gaps. The Council presents several examples demonstrating the importance of this strategy:

- **Mandated Shift Coverage.** The system is in jeopardy of being unable to fully staff facilities that require shift coverage -- group homes, community centers, and juvenile court programs.
- **Emergency Health Crises.** The Health Department's emergency response and readiness to respond to public health threats has been circumscribed by the continued erosion of its resource base, making a ready source of flexible funds all the more vital.
- **Small Changes with Large Unseen Downstream Consequences.** The Department of Administration for Human Services (DAHS) facilitates the ability of departments to provide "direct services" to the community. Making a few personnel reductions in DAHS reverberates through the entire human services system. Without infrastructure services, programs cannot be delivered.

Thinking Long-Term, Addressing the Near-Term

It is very difficult to focus on long-term objectives when beset by current demands. It is also incorrect to ignore current problems that can derail your ability to achieve long-term goals. The Council urges the Board to be mindful about the following actions and trends that have the potential to obstruct both the long and short-term County priorities.

External Funding. Compared to other County functions, the human services system is disproportionately dependent upon and, therefore, more vulnerable to shifts in federal and state funding. The myriad looming issues at the federal and state levels threaten the core of the work performed across the human services system. A corollary activity affecting human services is the shifting of financial responsibility from the state and federal levels to the locality for mandated and critically needed services upon which our most vulnerable and impoverished residents rely. The Council finds this last trend especially alarming.

The uncertainty of federal funding, notably sequestration and future deficit reduction proposals, places the human services system in a particularly vulnerable situation. The automatic budget reductions are estimated to cut funding deeply, reducing investment in housing and community development by 28 percent, taking 18 percent from spending on health and the environment, and slashing funding for education and safety/disaster response. Moreover, the cascading effects of sequestration will likely adversely impact employment in the county, thereby increasing the need for human services assistance.

Population and Demographic Shifts. These changes require new resources if existing programs are to be offered to newly eligible people. For example:

- Increasing numbers of low-income older adults will require services and interventions to remain in their own homes with supportive services.
- High-intensity interventions at earlier stages are required for a range of programs – behavioral health, early childhood development, family supports, and economic security programs.

Other Long and Short-Term Issues

- Infrastructure concerns: aging facilities and maintenance/replacement (housing, shelters, etc.)
- Alarming trends in service needs, such as growth in the long-term unemployed.
- Tremendous caseload growth associated with economic instability (ebb and flow of income inequities and resulting requirements for basic needs, lack of foundation funding supports, etc.)
- Health Care Reform will create an increased number of people who have access to third-party payment for some services but will also likely create an increased demand that might not be met by the private sector.
- Continued need to engage the business community and further develop public-private partnerships to generate additional resources and support for the human services system. Alleviating some of the critical financial constraints faced by county and nonprofit providers will contribute to a more sustainable delivery of human services.
- Expanding and evolving public health role in emergency preparedness and terrorism response. The County's human services system has a significant role in mass fatality management, medical surge capacity, medical countermeasure distribution, and emergency preparedness training of staff and the medical community.