



County of Fairfax, Virginia

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

Fairfax County Human Services Council

Educating ♦ Supporting ♦ Engaging
the Fairfax Community

Human Services
Council

March 24, 2017

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TO: Chairman and Members, Board of Supervisors

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

SUBJECT: Recommendations on the FY 2018 Advertised Budget Plan

The Human Services Council (the "Council") appreciates the opportunity to comment on the FY 2018 Advertised Budget Plan. This memorandum to the Board expresses the Council's views and concerns about the FY 2018 Advertised Budget Plan and highlights several critical areas for the Board's consideration.

Summary

The Council recognizes that, like the FY2017 Advertised Budget Plan, the County Executive's FY 2018 Advertised Budget Plan does not contain significant cuts to the Health and Human Services System. The Council welcomes the continuation of this approach by the County Executive to the Health and Human Services System. After sustaining more than \$60 million in budget reductions since the Great Recession, the Council strongly believes that the Health and Human Services System cannot sustain any further cuts without a loss of core services and damaging consequences for county residents.

The Council strongly supports investments in the Advertised Budget that will provide needed infrastructure for innovation and system transformation to help move toward a truly integrative Health and Human Services System. The Council is recommending additional funding for certain priority areas, including for a second year of Diversion First, and for the development of a strategic resource plan for the Health and Human Services System. The Council also proposes that the Board of Supervisors adopt budget guidance instructing staff to develop a strategy to address the opioid epidemic and to establish a transition fund using carryover funds to protect the Health and Human Services System from potential cuts in certain federal programs. Finally, the Council urges the Board to reallocate the \$500,000 designated in the Advertised Budget in contributory funding for the INOVA Translational Medicine Institute to support the funding priorities recommended by the Council.

Background

Our Health and Human Services System moves families, schools and neighborhoods toward good health, self-sufficiency and productivity that contribute to a robust

economy and quality of life for everyone. The System benefits everyone in Fairfax County, creating and maintaining a thriving and vibrant place to live, work, and play. Health and human services programs save money in public safety, the courts, and the schools.

The Human Services Needs Assessment clearly describes the trends, needs, and challenges in our county now and in the future. The County continues to see a growing number of people and families in or near poverty, thus increasing demands on the Health and Human Services System. Moreover, significant shifts in the County's demographics are manifesting themselves as increased needs.

The Council recognizes that the Health and Human Services System does not face significant cuts in this year's Advertised Budget. However, the system is still confronting a "new normal" of balancing constrained resources against increased needs.

The Council applauds the Board of Supervisors for passing the *One Fairfax* Resolution that directs the development of a racial and social equity policy to ensure all individuals in Fairfax have an opportunity to reach their highest level of personal achievement. However, to ensure a vital and thriving community over the long-term, the County must continue to invest in tools and strategies to meet the broadening needs of its residents. Doing so requires significant changes in the way the Health and Human Services System 'does business,' by moving away from agency silos and towards an integrative model defined by seamless coordination and integration of services. This requires the modernization of the County's IT infrastructure and innovation across our system.

To that end, the Council will sponsor an unprecedented multi-disciplinary conference to encourage the exchange of state-of-the-art information about innovative business models and to stimulate creative thinking about financing and nontraditional partnerships in support of service delivery. The May 18th conference, called the *Innovation Challenge*, is a tangible first step towards the creation, over time, of a transformed and modernized Health and Human Services System that will more cost-effectively serve clients and deliver better outcomes.

The Council is also very concerned about the imminent and real threat of federal funding cuts which would have a disproportionate impact on the Health and Human Services System. At present, approximately \$125 million out of the entire \$319.46 million Health and Human Services budget comes from federal sources. The proposed federal budget would eliminate or significantly cut an array of federal human services programs that provide funding to the County including the Community Development Block Grant (CDBG), the HOME Investment Partnerships Program (HOME), the Community Services Block Grant (CSBG), and the Housing Choice Voucher. Elimination of the CDBG and CSBG alone would result in the loss of \$2 million to the county that currently is part of the Consolidated Community Funding Pool. Furthermore, elimination of both the CDBG and HOME programs would significantly impact affordable housing development, affordable homeownership, and rental subsidies that are supported through federal funding. In addition, it is quite possible that the Health and Human Services System will be affected in uncertain ways by the increased immigration enforcement being implemented by U.S. Immigration and Customs Enforcement.

Specific Guidance on FY 2018 Budget

The Council urges the Board to consider funds and immediate resources to meet the following critical demands:

1) **Diversion First**

The Council recommends full funding of Diversion First, which is a prime example of the paradigm shift needed for integrative service delivery. This program is a model for how to effectively collaborate across systems to gain efficiencies and improved outcomes. Diversion First experienced key successes in year one, and we encourage additional funding to keep up the momentum of this essential, innovative systems transformation initiative.

2) **Health and Human Services Resource Plan (\$250,000)**

The Council urges the Board to allocate \$250,000 from carryover to be used to develop a strategic resource plan to provide a blueprint for funding needs in connection with the Human Services Needs Assessment. Historically, resource planning and allocation within the Health and Human Services System has been conducted by funding individual areas or challenges as they arise rather than evaluating issues as a whole. This is an unsustainable practice if we aim to truly address challenges in our community and move away from the status quo.

The Health and Human Services System must develop a five-year strategic plan to proactively match critical needs in our community with available resources. It will allow the System to build on the Needs Assessment and assess programs, personnel, capital, facilities and maintenance, information technology, and operational costs. In the short term, it will facilitate identification of areas of needed system transformation. In time, the plan will allow for improved comprehensive forecasting of needs in the changing social landscape and better prepare the system to meet those needs.

3) **Opioid Epidemic**

The prevention, intervention, and treatment of opioid addiction is an ongoing challenge in our community. It is not only a health and human services issue. It is a countywide issue which affects the schools, public safety, and our judicial system. The Council urges the Board to provide budget guidance for health and human services staff in conjunction with other critical partners to develop a strategy for addressing the growing opioid epidemic in Fairfax County. A strategic response to this epidemic will benefit law enforcement, schools, other County systems, and all County residents.

4) **Contract Rate Increases**

The Council strongly urges the County to reallocate the \$500,000 in Contributory Funding included in the Advertised Budget for the INOVA Translational Medicine Institute (ITMI) to help pay for a portion of a contract rate increase for our non-profit partners that provide health and human services throughout the County. INOVA is a valued county partner. While the ITMI is a worthwhile program, the County confronts a challenging budget environment where difficult choices have to be made. INOVA has extensive resources on which to draw, while the County does not. The Health and Human Services System is responsible to the entire community to deliver a broad range of critical services, some of which have been ended outright while others cannot keep up with demand.

In a year in which the Board must confront very difficult budgetary decisions, the Council strongly believes that the \$500,000 included in the Advertised Budget for the ITMI would be better used to support other public/private partnerships which deliver excellent and cost-effective health and human services programs.

5) **Transition fund**

In light of the real threat of potential cuts or elimination of various federal programs on which our Health and Human Services System relies on, the Council recommends that the Board establish a transition fund to reduce the immediate impact from those potential cuts. A transition fund would enable individuals or families currently receiving federal subsidies for food, housing or child care some additional time to assess their options and connect with other services or community resources. Additionally, it provides staff time to meet new funding limitations through attrition of service instead of immediate displacement of families. The Board adopted this approach during the first sequestration reductions. Therefore, the Council recommends the Board adopt budget guidance to set aside funding from FY 2017 carryover funds.

Conclusion

The Council takes very seriously its three primary obligations: to analyze the needs and effectiveness of the Health and Human Services System, advise the Board of goals and priorities, and work collaboratively with other interested parties.

In order for the system to be effective, the County must continue to invest in programs and services that meet the needs of its residents; for its part, the system must adapt its strategies and methods to become more innovative, outcomes-driven and cost-effective. Goals and priorities must bear in mind the greater good of the entire Fairfax community so that maximum benefit is realized. Through it all, our collective efforts must be driven by a spirit of collegiality and cooperation, wherever practical, tearing down old, ineffective and counterproductive silos and adapting new technologies, strategies and methods.

The Council urges the Board of Supervisors to adopt our recommendations in the spirit of our mutual objective of achieving *One Fairfax*, and we pledge our continued diligence in identifying important human service needs and promising solutions.