

Agenda Item Number 10.d

S&DS Funding Report

Presenter: Kay Metzger

Action Recommended: None. Information only.

Background:

Lane Council of Governments Senior & Disabled Services is one of four Transfer Area Agencies on Aging in Oregon. As such, we contract with the State of Oregon's Department of Human Services to not only provide services through the Older Americans Act programs but also to provide eligibility and case management services for senior and disabled Medicaid and Food Stamp recipients in Lane County. Each biennium we receive a two-year allocation from DHS to do this body of work in accordance with the Oregon Administrative Rules and other regulations.

In June, as a very fiscally challenging Legislative Session drew to a close, the State of Oregon's Department of Human Services (DHS) determined it necessary to begin the 2009-11 biennium with a two-month "bridge funding" allocation to its contractors. Thus, S&DS began the 2009-10 fiscal year with very limited funding. In response, LCOG/S&DS Management worked with both unions (the Service Employees International Union and the Employees Association) to agree on certain actions that would prevent premature layoffs. As reported previously, the SEIU represented staff approved a six month agreement as follows:

- Per the previously agreed-upon Collective Bargaining Agreement, a 2.75% COLA was granted effective July 1, 2009
- Move to the Health Reimbursement Account (HRA) model of health insurance, saving the agency money in the cost of fringe benefits
- For six months, each SEIU represented staff member will take one unpaid furlough day per month (July 2009 – December 2009)
- The furlough days will fall on the third Friday of each month and the S&DS offices will be closed to the public that day (July – December 2009).

The EA represented staff approved the following:

- A 2.75% COLA will be delayed for six months, becoming effective January 1, 2010.

Update:

In early August, the Department of Human Services released its initial allocation figures to the four Transfer Area Agencies on Aging. Summary highlights and analysis of the allocation to S&DS include:

- During budget negotiations, the 2009 Legislature approved a six month hiring freeze for Transfer Area Agencies on Aging. As a result, our funding clearly illustrates a reduction of \$99,000 off of what we should have been allocated.
- Transfer Area Agencies on Aging receive 90% of what it would cost DHS to run the program. Our allocation clearly illustrates this reduction, of \$2,080,519, for the biennium.
- In preparation for the biennial allocation, the State of Oregon takes a snapshot of client caseload counts in May of the odd-numbered year (i.e. May 2007 for the 2007-09 biennium, May 2009 for the 2009-11 biennium). Thus, the funding we receive for two years is dependent on the client caseload count immediately prior to that biennium. It was not surprising that our client count had significantly grown in two years. As a result, the allocation for S&DS (even at 90%) was higher than anticipated. This is welcome news to S&DS staff, who currently work with extremely high caseloads.
- Additionally, our Older Americans Act programs received more favorable allocations than projected last spring and the Senior Meals program was the happy recipient of short-term Stimulus funds. The Planning and Budget Sub-Committee of the Senior and Disability Services Advisory Councils met in early September to review and recommend an updated distribution model for these funds. They approved a budget that seeks to stabilize services as much as possible, supporting an array of services that are cost effective, helps people remain in their own home, and supports the use of volunteers. Contract amendments with our partner agencies are currently in process.

Next Steps:

LCOG/S&DS Management staff has been working to evaluate our budget situation and plan prudently towards using the allocation to best serve our community. There are still some unknowns out there, including the potential for a referendum vote. However, the needs of those we serve are many and our staff members cannot toil under heavy workload expectations indefinitely. To put it succinctly, we need more staff and we need them sooner rather than later.

Thus, our next steps include:

- S&DS Management-level evaluation of caseloads, staff assignments, and unit needs. A recommendation for additional positions, how many, which units, and location, will be made to LCOG Management in September.
- Maintaining the six month agreements with both Unions. The savings we are accruing through these measures will be used to offset the amount of funding that was reduced due to the six month hiring freeze.
- Meeting with the SEIU/LCOG Labor/Management Team and EA-represented staff to review this information and share the next steps.

Other Information:

We continue to move forward in the planning and implementation of a grant-funded Aging and Disability Resource Center. By April, we hope to have two new people on board to offer enhanced information, assistance, and expert consultation regarding long term care services in the community. Ongoing updates will be provided to the LCOG Board on our progress.

Please feel free to contact me if you have any questions.

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