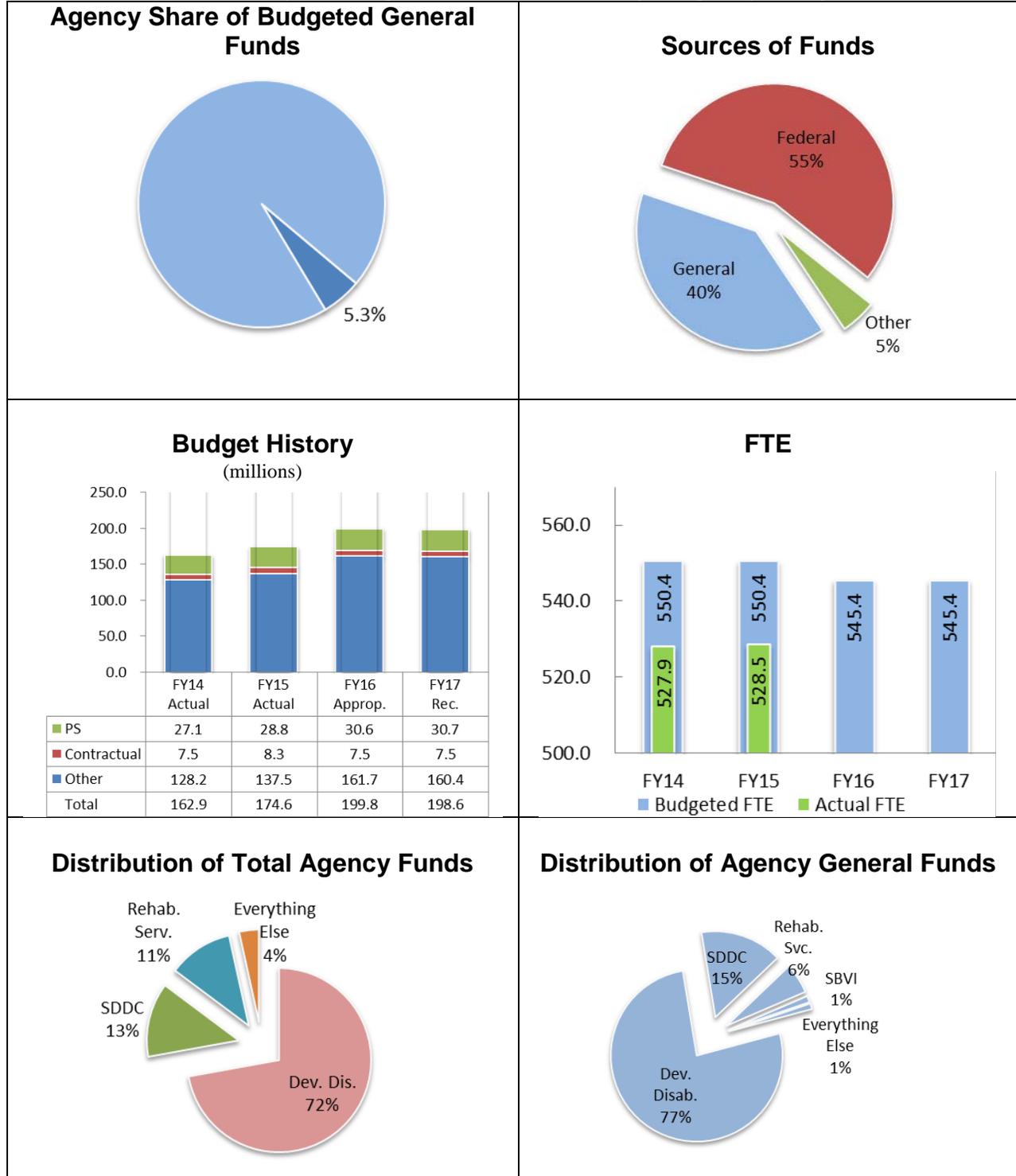


FY17 Budget Briefing

Department of Human Services

Information contained in this document is based on Governor's original recommended FY17 budget.
This document may not correspond with the final FY17 budget adopted by the Legislature.



Key Personnel

- Gloria Pearson, Department Secretary
- Lloyd Johnson, Interim Budget & Finance Director
- Dan Lusk, Developmental Disabilities Director
- Jan Banghart, SD Developmental Center Director (Redfield)
- Eric Weiss, Rehabilitation Services Director
- Gaye Mattke, Service to the Blind & Visually Impaired Director

Department Total

The Department of Human Services will enhance the quality of life of people with disabilities, in partnership with its stakeholders.

	Actual FY2014	Actual FY2015	Budgeted FY2016	Agency Request FY2017	Gov Rec FY2017	Gov Rec Inc/Dec FY2017	% Change From FY2016
Personal Services							
Employee Salaries	19,470,146	21,099,689	22,384,750	22,455,070	22,451,874	67,124	0.3%
Employee Benefits	7,666,359	7,723,782	8,221,193	8,248,479	8,248,023	26,830	0.3%
FTE	527.9	528.5	545.4	547.4	545.4	0.0	0.0%
Funding Types							
General	10,914,630	11,751,416	12,355,606	11,904,150	11,902,324	(453,282)	(3.7%)
Federal	16,080,368	16,920,699	18,071,814	18,620,876	18,619,050	547,236	3.0%
Other	141,507	151,357	178,523	178,523	178,523	0	0.0%
Total PS	27,136,505	28,823,472	30,605,943	30,703,549	30,699,897	93,954	0.3%
Operating Expenses							
Travel	365,040	396,737	464,141	468,341	468,341	4,200	0.9%
Contractual Services	7,511,372	8,286,122	7,492,258	7,502,867	7,506,750	14,492	0.2%
Supplies & Materials	1,129,157	1,171,348	1,321,103	1,235,674	1,240,119	(80,984)	(6.1%)
Grants And Subsidies	125,859,251	135,208,547	159,462,031	158,983,203	158,205,810	(1,256,221)	(0.8%)
Capital Outlay	809,930	651,517	473,512	475,852	475,852	2,340	0.5%
Other	45,612	60,737	0	0	0	0	0.0%
Funding Types							
General	55,999,792	61,650,614	66,318,188	67,100,670	66,704,282	386,094	0.6%
Federal	77,245,500	76,339,517	87,443,715	92,134,023	91,710,575	4,266,860	4.9%
Other	2,475,070	7,784,876	15,451,142	9,431,244	9,482,015	(5,969,127)	(38.6%)
Total OE	135,720,362	145,775,008	169,213,045	168,665,937	167,896,872	(1,316,173)	(0.8%)
Totals							
Funding Types							
General	66,914,422	73,402,030	78,673,794	79,004,820	78,606,606	(67,188)	(0.1%)
Federal	93,325,868	93,260,216	105,515,529	110,754,899	110,329,625	4,814,096	4.6%
Other	2,616,576	7,936,233	15,629,665	9,609,767	9,660,538	(5,969,127)	(38.2%)
Total	162,856,867	174,598,479	199,818,988	199,369,486	198,596,769	(1,222,219)	(0.6%)

Department Object Detail

Item	Actual FY2014	Actual FY2015	Budgeted FY2016	Governor Rec FY2017	Inc/Dec Over FY2016	% Change Over FY2016
PERSONAL SERVICES						
General Funds	10,914,630	11,751,416	12,355,606	11,902,324	(453,282)	(3.7%)
Federal Funds	16,080,368	16,920,698	18,071,814	18,619,050	547,236	3.0%
Other Funds	141,507	151,357	178,523	178,523	0	0.0%
Total Personal Services	27,136,505	28,823,471	30,605,943	30,699,897	93,954	0.3%
FTE	527.9	528.5	545.4	545.4	0.0	0.0%
TRAVEL						
General Funds	134,799	133,186	171,022	171,165	143	0.1%
Federal Funds	227,309	263,528	290,980	295,037	4,057	1.4%
Other Funds	2,933	23	2,139	2,139	0	0.0%
Total Travel	365,041	396,737	464,141	468,341	4,200	0.9%
CONTRACTUAL SERVICES						
General Funds	2,409,682	2,454,300	2,398,121	2,323,423	(74,698)	(3.1%)
Federal Funds	4,273,583	5,082,012	4,325,376	4,411,987	86,611	2.0%
Other Funds	828,107	749,810	768,761	771,340	2,579	0.3%
Total Contractual Services	7,511,372	8,286,122	7,492,258	7,506,750	14,492	0.2%
SUPPLIES AND MATERIALS						
General Funds	461,697	482,467	565,096	502,937	(62,159)	(11.0%)
Federal Funds	664,847	679,430	754,964	736,139	(18,825)	(2.5%)
Other Funds	2,613	9,451	1,043	1,043	0	0.0%
Total Supplies and Materials	1,129,157	1,171,348	1,321,103	1,240,119	(80,984)	(6.1%)
GRANTS AND SUBSIDIES						
General Funds	52,567,015	58,277,475	63,030,908	63,557,213	526,305	0.8%
Federal Funds	71,765,615	70,013,162	81,877,348	86,066,528	4,189,180	5.1%
Other Funds	1,526,621	6,917,910	14,553,775	8,582,069	(5,971,706)	(41.0%)
Total Grants and Subsidies	125,859,251	135,208,547	159,462,031	158,205,810	(1,256,221)	(0.8%)
CAPITAL OUTLAY						
General Funds	383,466	242,448	153,041	149,544	(3,497)	(2.3%)
Federal Funds	314,146	301,386	195,047	200,884	5,837	3.0%
Other Funds	112,318	107,683	125,424	125,424	0	0.0%
Total Capital Outlay	809,930	651,517	473,512	475,852	2,340	0.5%
OTHER EXPENSES						
General Funds	43,134	60,737	0	0	0	0.0%
Federal Funds	0	0	0	0	0	0.0%
Other Funds	2,478	0	0	0	0	0.0%
Total Other	45,612	60,737	0	0	0	0.0%
TOTAL						
General Funds	66,914,423	73,402,029	78,673,794	78,606,606	(67,188)	(0.1%)
Federal Funds	93,325,868	93,260,216	105,515,529	110,329,625	4,814,096	4.6%
Other Funds	2,616,577	7,936,234	15,629,665	9,660,538	(5,969,127)	(38.2%)
Total All Funds	162,856,868	174,598,479	199,818,988	198,596,769	(1,222,219)	(0.6%)

Budget Detail Summary

Department of Human Services FY17 Budget Detail Summary

* See bottom for descriptions

DIVISION OF THE SECRETARY	Governor's Recommended FY17 Increase/(Decrease)					Governor's Recommended FY17 Budget				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
Administration	-	-	-	-	-	353,868	304,461	87	658,416	7.0
Budget and Finance	-	-	-	-	-	389,819	396,612	1,334	787,765	10.0
Guardianship *	4,096	-	-	4,096	-	174,711	-	-	174,711	-
Total Secretariat	4,096	-	-	4,096	-	918,398	701,073	1,421	1,620,892	17.0
DEVELOPMENTAL DISABILITIES	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
Administration	-	-	-	-	-	1,028,895	1,041,729	-	2,070,624	20.5
Community/Family Services	-	-	-	-	-	-	-	-	-	-
Family Support *	(10,481)	144,038	-	133,557	-	3,186,604	2,198,971	-	5,385,575	-
Child Respite Care	11,322	-	-	11,322	-	294,889	135,750	-	430,639	-
Adult Foster Care	-	-	-	-	-	35,200	-	-	35,200	-
Extraordinary Needs *	-	-	-	-	-	56,591	-	-	56,591	-
Autism Grant	-	-	-	-	-	112,500	-	-	112,500	-
Long Term Care Services	-	-	-	-	-	-	-	-	-	-
Community Training Services *	46,575	-	-	46,575	-	1,771,575	-	-	1,771,575	-
Title XIX - Adults - HCBS *	338,912	6,394,427	-	6,733,339	-	53,790,425	63,425,579	-	117,216,004	-
Title XIX - Children - HCBS	(7,773)	(1,535,915)	(3,265,916)	(4,809,604)	-	292,828	4,524,987	2,438,432	7,256,247	-
ICF/IID Child *	-	(1,181,266)	(2,705,790)	(3,887,056)	-	-	5,190,873	3,249,302	8,440,175	-
DD State Council *	-	-	-	-	-	23,088	503,125	-	526,213	-
Total Developmental Disabilities	378,555	3,821,284	(5,971,706)	(1,771,867)	-	60,592,595	77,021,014	5,687,734	143,301,343	20.5
SD DEVELOPMENTAL CENTER - REDFIELD	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
Administration	(46,662)	46,662	-	-	-	892,773	1,032,439	-	1,925,212	18.5
Physical Plant	(130,265)	56,996	2,579	(70,690)	-	1,804,105	2,219,310	129,208	4,152,623	46.0
Health Services	(116,319)	116,319	-	-	-	2,152,047	2,543,060	665,516	5,360,623	59.6
Program One *	(131,953)	131,953	-	-	-	2,435,275	2,872,235	-	5,307,510	101.0
Program Two *	(88,446)	88,446	-	-	-	1,635,366	1,925,749	-	3,561,115	66.5
Program Three *	(114,263)	114,263	-	-	(2.0)	2,105,964	2,486,926	-	4,592,890	86.0
Redfield Workshops *	(4,636)	4,636	-	-	-	85,882	101,832	-	187,714	-
ICF/IID Provider Tax *	(21,038)	21,038	-	-	-	387,719	457,169	-	844,888	-
Total SDDC	(653,582)	580,313	2,579	(70,690)	(2.0)	11,499,131	13,638,720	794,724	25,932,575	377.6
REHABILITATION SERVICES (DRS)	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
Administration	-	-	-	-	-	278,330	1,040,540	85	1,318,955	9.0
Client Services *	-	-	-	-	-	860,420	3,061,668	560,536	4,482,624	-
Board of Vocational Rehabilitation	-	-	-	-	-	33,610	124,250	-	157,860	-
In-service Training *	-	-	-	-	-	-	-	-	-	-
Independent Living *	19,203	-	-	19,203	-	121,467	303,951	305,000	730,418	-
Deaf Services *	-	-	-	-	-	-	-	259,623	259,623	-
Disability Determination *	-	-	-	-	-	-	3,981,475	-	3,981,475	30.5
Interpreter Certification	-	-	-	-	-	-	-	16,350	16,350	-
DRS Field Offices	-	-	-	-	-	818,677	3,073,182	-	3,891,859	59.6
Grants/Contracts *	-	-	-	-	-	194,272	2,337,054	351,830	2,883,156	-
Attendant Care Services *	184,540	412,499	-	597,039	2.0	2,336,299	2,432,411	-	4,768,710	2.0
Total Rehabilitation Services	203,743	412,499	-	616,242	2.0	4,643,075	16,354,531	1,493,424	22,491,030	101.1
TELECOMMUNICATION DEVICES FOR THE DEAF	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
Telecommunications Relay Services *	-	-	-	-	-	-	-	776,680	776,680	-
TRS-Equipment *	-	-	-	-	-	-	-	400,000	400,000	-
Telecommunication Access Device Program *	-	-	-	-	-	-	-	125,000	125,000	-
Total Telecommunication Devices/Deaf	-	-	-	-	-	-	-	1,301,680	1,301,680	-
SERVICE TO THE BLIND & VISUALLY IMPAIRED	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
Administration	-	-	-	-	-	170,328	282,728	-	453,056	5.2
Client Services *	-	-	-	-	-	264,690	966,993	150,150	1,381,833	-
Board of SBVI	-	-	-	-	-	3,392	12,622	-	16,014	-
Independent Living *	-	-	-	-	-	133,625	257,844	547	392,016	5.0
Grants/Contracts *	-	-	-	-	-	1,491	52,510	25,000	79,001	-
Independent Living Case Services *	-	-	-	-	-	5,000	45,000	-	50,000	-
SD Rehab Center *	-	-	-	-	-	216,260	562,333	205,858	984,451	12.0
SBVI Field Offices	-	-	-	-	-	158,621	434,257	-	592,878	7.0
In-service Training	-	-	-	-	-	-	-	-	-	-
Total Service to the Blind & Visually Impaired	-	-	-	-	-	953,407	2,614,287	381,555	3,949,249	29.2
Department of Human Services Total	(67,188)	4,814,096	(5,969,127)	(1,222,219)	-	78,606,606	110,329,625	9,660,538	198,596,769	545.4

*** Select Descriptions - by budget Division (very abbreviated format)**

DIVISION OF THE SECRETARY

Guardianship: DHS provides guardianship and conservatorship for individuals who are intellectually disabled and in need of assistance in making decisions.

DEVELOPMENTAL DISABILITIES

Family Support: services to allow individuals with developmental disabilities to remain at home with natural support systems.

Extraordinary Needs: specialized assistance to individuals with severe behavioral problems, unexpected severe medical needs, or other extraordinary needs.

Community Training Services: to provide prevocational training, community living training, job coaching, supported living, and follow-along services.

HCBS: Home and Community Based Services - services provided by the 19 community support providers.

ICF/IID: Intermediate Care Facility for Individuals with Intellectual Disabilities (funded through the Medicaid state plan & tuition through the local school district.

DD State Council: 23 member council appointed by the Governor and mandated by the Federal Developmental Disabilities Act.

SOUTH DAKOTA DEVELOPMENTAL CENTER (SDDC) - REDFIELD FACILITY

Program One: specialized residential and vocational services for adult males with intellectual and developmental disabilities and extremely challenging behaviors.

Program Two: specialized residential, educational, and vocational services for youth with intellectual and developmental disabilities age 10-21 years.

Program Three: specialized residential & vocational services for adult ladies and men with intellectual & developmental disabilities with transition to community living.

Redfield Workshops: wages paid to people that live at SDDC for the work completed in their vocational training programs.

ICF/IID Provider Tax: a provider tax on net revenue of intermediate care facilities per HB1077 in 2007.

REHABILITATION SERVICES (DRS)

Client Services: funds are utilized to purchase direct services for eligible individuals with disabilities as authorized under the Rehabilitation Act Section 103.

Independent Living: services contracted to the three centers for independent living to assist in diverting people from more costly services such as nursing homes.

Deaf Services: support to individuals who are deaf/hard of hearing and for an interpreter mentoring program.

Disability Determination: federally mandated to make all determinations for Social Security Disability benefits for all South Dakotans.

Grants/Contracts: supports provisions of benefits specialists services, disability awareness and education to businesses, and cooperative agreements with schools for Project Skills.

Attendant Care Services: to provide service to people with quadriplegia to help them live independently.

TELECOMMUNICATION DEVICES FOR THE DEAF

Telecommunications Relay Services: Title IV of the Americans with Disabilities Act requires access to telecommunication for people with hearing/speech disabilities.

TRS Equipment: per SDCL 49-31-48 the Equipment Distribution Program was established to purchase/distribute telecom devices.

Telecom. Access Device Program: per SDCL 49-31-47 access fees are used to provide assistive devices to other disability groups.

SERVICE TO THE BLIND AND VISUALLY IMPAIRED

Client Services: to purchase services for individuals participating in rehabilitation plans in order to obtain or retain employment.

Independent Living: for rehab teachers in field offices that provide direct skills of blindness training to over 575 individuals/year.

Grants/Contracts: contracts for transition services, assistive technology training, and low vision examinations.

Independent Living Case Services: case services to individuals per Title VII Chapter II of the Rehabilitation Act who are 55 years or older.

SD Rehab Center: an extensive community rehabilitation program providing specialized training in blindness skills to citizens from SD and surrounding states.

ACRONYMS:

ADLS – Assistive Daily Living Services	ICF/IID – Intermediate Care Facility for Individuals with Intellectual Disabilities
CMS – Centers for Medicare and Medicaid Services	IL – Independent Living
COLA – Cost of Living Adjustment	SBVI – Service to the Blind and Visually Impaired
CSP – Community Support Provider	SDDC – South Dakota Developmental Center (Redfield Facility)
CTS – Community Training Services	SDRC – South Dakota Rehabilitation Center for the Blind
DDD – Division of Developmental Disabilities	SSA – Social Security Administration
DDS – Disability Determination Services	SSI – Supplemental Security Income
DHS – Department of Human Services	TRS – Telecommunication Relay Services
DRS – Division of Rehabilitation Services	VR – Vocational Rehabilitation
FMAP – Federal Medical Assistance Percentage	
HCBS – Home & Community Based Services	

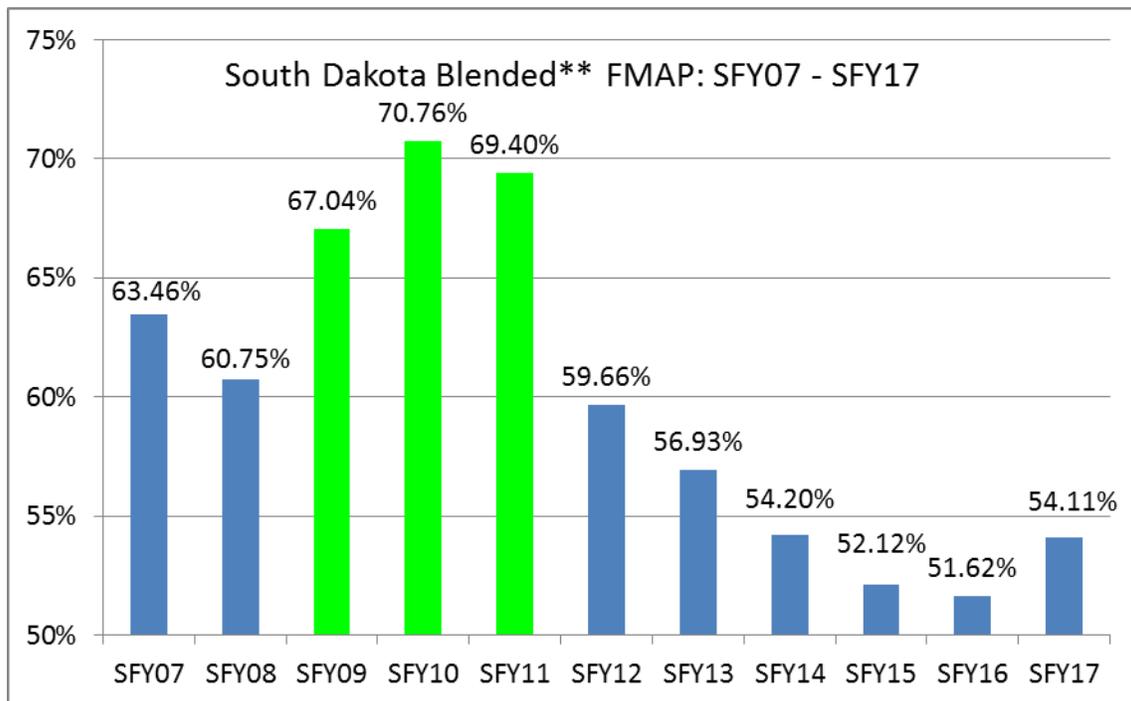
MAJOR EXPANSIONS AND REDUCTIONS

Budget Item	Governor's Recommendation			Total Funds	FTE
	General Funds	Federal Funds	Other Funds		
Secretariat					
2.7% Discretionary Provider Inflation	4,096	-	-	4,096	-
Developmental Disabilities					
Growth in HCBS Adult Eligibles	1,721,016	2,029,291	-	3,750,307	-
Utilization Reductions	-	(3,540,295)	(5,741,038)	(9,281,333)	-
2.7% Discretionary Provider Inflation	1,513,109	2,017,582	228,468	3,759,159	-
FMAP	(2,855,570)	3,314,706	(459,136)	-	-
SD Developmental Center (SDDC) Redfield					
Utilities	(42,697)	(50,344)	-	(93,041)	-
Food Service	7,382	12,390	2,579	22,351	-
FTE Reduction from Program Three	-	-	-	-	(2.0)
FMAP	(618,267)	618,267	-	-	-
Rehabilitation Services					
ADLS Waiver Enhancements	120,549	142,143	-	262,692	-
Conflict Free Case Management	51,270	51,270	-	102,540	2.0
Providers to 90% of Cost	55,134	65,010	-	120,144	-
2.7% Discretionary Provider Inflation	74,224	56,642	-	130,866	-
FMAP	(97,434)	97,434	-	-	-
TOTAL	(67,188)	4,814,096	(5,969,127)	(1,222,219)	-

DEPARTMENT-WIDE CHANGES

FMAP (Federal Medical Assistance Percentage): Decrease of **(\$3,571,271)** from the **general fund**, decrease of **(\$459,136)** in **other fund** expenditure authority, and an increase of **\$4,030,407** in **federal fund** expenditure authority due to changes in the FMAP rate (net change of zero).

The FMAP is the share of state Medicaid benefit costs paid for by the federal government. The rate is determined annually by the federal government using a formula based on a three-year average of state per capita personal income in relation to the national average. The FY17 rate compares calendar years 2012, 2013 and 2014. States with higher per capita income levels are reimbursed a smaller share of their costs. In State Fiscal Year 2017, the budgeted FMAP rate will be **54.11%** and the state share will be 45.89%. This is an increase of the federal share by 2.49%. (NOTE: This is only a portion of the statewide impact of the FMAP. Other departments across state government also are impacted.)



Green = ARRA Increase

**The FMAP rate changes annually on October 1, the beginning of the Federal Fiscal Year. Because the State Fiscal Year (SFY) begins July 1, for budgeting purposes, the state's budgeted FMAP rate uses the last quarter of the previous federal fiscal year and the first three quarters of the next federal fiscal year. The department refers to this as the "blended rate" and uses that average when calculating its budget request.

FMAP by Division	General Funds	Federal Funds	Other Funds	Total Funds
Developmental Disabilities	(2,855,570)	3,314,706	(459,136)	-
SDDC - Redfield	(618,267)	618,267	-	-
Rehabilitation Services	(97,434)	97,434	-	-
Total	(3,571,271)	4,030,407	(459,136)	-

2.7% Discretionary Provider Inflation: The Governor recommends a 2.7% increase to provider rates. This recommendation results an increase of **\$1,591,429** from **general funds**, an increase of **\$2,074,224** in **federal fund** expenditure authority, and an increase of **\$228,468** in **other fund** expenditure authority for a total increase of \$3,894,121.

2.7% Provider Inflation by Division	General Funds	Federal Funds	Other Funds	Total Funds
Secretariat	4,096	-	-	4,096
Developmental Disabilities	1,513,109	2,017,582	228,468	3,759,159
Rehabilitation Services	74,224	56,642	-	130,866
Total	1,591,429	2,074,224	228,468	3,894,121

From the Bureau of Finance & Management (BFM): Several factors are taken into consideration when the Governor recommends the discretionary inflationary increase for providers. No statutes exist for determining this inflationary increase. As a starting point, the Bureau of Finance and Management uses the projected increase in the Consumer Price Index for All Urban Consumers (CPI-U) forecast by IHS Global Insight for the coming fiscal year (FY16) when compared to the current fiscal year (FY15). The Governor must also consider the funding available in the budget after mandatory costs are paid for.

CHANGES BY DIVISION

Secretariat

2.7% Discretionary Provider Inflation: Increase of **\$4,096** from **general funds** for the Governor's recommended 2.7% increase to provider rates.

Developmental Disabilities

Growth in HCBS Adult Eligibles: Increase of **\$1,721,016** from **general funds** and an increase of **\$2,029,291** in **federal fund** expenditure authority for growth in Adult Title XIX (Medicaid) Home and Community Based Services (HCBS). These services are provided by the nineteen (19) Community Support Providers (CSPs). The department estimates a net growth of 53 people as predicted by historical trend analysis data. Total Increase: \$3,750,307

Utilization Reductions: Decrease of **(\$3,540,295)** in **federal fund** expenditure authority and a decrease of **(\$5,741,038)** in **other fund** expenditure authority that is no longer necessary. Total Decrease: **(\$9,281,333)**.

2.7% Discretionary Provider Inflation: Increase of **\$1,513,109** from **general funds**, increase of **\$2,017,582** in **federal fund** expenditure authority, and an increase of **\$228,468** in **other fund** expenditure authority for the Governor's recommended 2.7% increase to provider rates. Total Increase: \$3,759,159

FMAP: Decrease of **(\$2,855,570)** from **general funds**, decrease of **(\$459,136)** in **other fund** expenditure authority, and an increase of **\$3,314,706** in **federal fund** expenditure authority due to the increase in the FMAP.

South Dakota Developmental Center (SDDC) - Redfield

Utilities: Decrease of **(\$42,697)** from **general funds** and a decrease of **(\$50,344)** in **federal fund** expenditure authority due to decreased utility expenses. Total Decrease: **(\$93,041)**

Food Service: Increase of **\$7,382** from **general funds**, increase of **\$12,390** in **federal fund** expenditure authority, and an increase of **\$2,579** in **other fund** expenditure authority. Total Increase: \$22,351

FTE Reduction from Program Three: Decrease of **(2.0)** FTE

FMAP: Decrease of **(\$618,267)** from **general funds** with a corresponding increase of **\$618,267** in **federal fund** expenditure authority due to the increase in the FMAP.

Rehabilitation Services

Assistive Daily Living Services (ADLS) Waiver Enhancements: Increase of **\$120,549** from **general funds** and an increase of **\$142,143** in **federal fund** expenditure authority for service expansion to better support ADLS waiver participants in their community. Total Increase: \$262,692

Conflict Free Case Management: Increase of **\$51,270** from **general funds**, increase of **\$51,270** in **federal fund** expenditure authority, and an increase of **2.0 FTE** for the salary and related costs of hiring two service coordinators to ensure conflict free case management of ADLS waiver participants. Total Increase: \$102,540

Providers to 90% of Costs: Increase of **\$55,134** from **general funds** and an increase of **\$65,010** in **federal fund** expenditure authority to increase reimbursement rates of in-home services provided through the ADLS waiver as part of the Governor's recommendation to move providers to 90% of allowable costs in three years. Total Increase: \$120,144

2.7% Discretionary Provider Inflation: Increase of **\$74,224** from **general funds** and an increase of **\$56,642** in **federal fund** expenditure authority for the Governor's recommended 2.7% increase to provider rates. Total Increase: \$130,866.

FMAP: Decrease of **(\$97,434)** from **general funds** with a corresponding increase of **\$97,434** in **federal fund** expenditure authority due to the increase in the FMAP.

Governor's Recommended State Employee Compensation Plan

For FY17, the Governor recommended the funding for the state employee compensation plan and bureau billings be placed in a pool in BFM to be distributed to each agency. He also recommended the total decrease for health insurance be included in BFM's budget and be allocated at a future time. *Therefore, individual agency personal services and contractual services budgets do not reflect budget increases for the compensation plan, bureau billings, or the decrease for health insurance.*

- Below are the estimated distributions for employee compensation for FY17. BFM will distribute dollars from the Pool after calculating the increase for salary policy and the decrease for employee health insurance. The distributed amount to the agency will be in addition to the agency's appropriated personal services budget.

FY17 Salary Policy Component	Object	General	Federal	Other	Total
Health Insurance	PS	(\$54,375)	(\$85,060)	(\$816)	(\$140,251)
Market Adjustment	PS	\$259,812	\$413,689	\$4,400	\$677,900
Movement Towards Market Value	PS	\$196,660	\$349,549	\$2,482	\$548,690
Health Insurance	OE	(\$1,377)	(\$4,192)	(\$22)	(\$5,591)
Market Adjustment	OE	\$3,254	\$8,043	\$51	\$11,348
Movement Towards Market Value	OE	\$2,780	\$7,548	\$84	\$10,412
	Total	\$406,753	\$689,577	\$6,179	\$1,102,509

- Recommended FY17: 2.7% market adjustment for all permanent employees (except Career Bands); 0%-2.7% market adjustments for Career Bands; 2.5% movement toward market value for General Pay Structure and PACE; 0% to 4.5% pay for performance for Career Bands; decrease of \$275 per benefitted employee for the employer-paid portion of the health insurance plan.
 - FY16: 2% market adjustment for all permanent employees (except Career Bands); 0%-6.6% market adjustments for Career Bands; 2.5% movement toward market value for General Pay Structure and PACE; 0% to 4.5% pay for performance for Career Bands; 0% health insurance.
 - FY15: 3% across-the-board/market adjustment for all permanent employees (including Career Bands); 3% adjustment toward job worth for PACE; 0%-4.5% pay for performance for Career Bands; targeted compensation adjustments for a small number of hard-to-fill, below market vocational jobs; 18.6% health insurance.
 - FY14: 3% across-the-board for all permanent employees (except Career Bands); 3.5% to 4% market adjustment for Career Bands; 3.5% adjustment toward job worth for PACE; 0%-4.5% pay for performance for Career Bands; 14.7% health insurance.
- Below are the estimated increases to the bureau billings for FY17. The amount distributed from the BFM pool to the agency will be in addition to the agency's appropriated contractual services budget.

Estimated FY17	General	Federal	Other	Total
Bureau Billing Adjustments	482	2,730	34	3,246

Interagency Billings

Below are the sources of funds DHS used to pay for services provided by the central governmental bureaus (Bureau of Finance and Management, Bureau of Information and Telecommunications, Bureau of Administration, Bureau of Human Resources) in FY2015.

Bureau Name	General	Federal	Other	Total
Bureau of Finance and Management	\$57,355	\$322,322	\$4,160	\$383,838
Bureau of Administration	\$97,294	\$292,209	\$2,996	\$392,499
Bureau of Information and Telecommunication	\$247,504	\$735,006	\$4,020	\$986,530
Bureau of Human Resources	\$112,910	\$230,065	\$987	\$343,962
Total FY15 Interagency Payments	\$515,063	\$1,579,602	\$12,163	\$2,106,828

Other Fund Balances

Company and Fund Name	Blue Book Page	Ending Cash and Investment Balance on June 30		60-Month Average	Lowest Monthly Cash Balance in Past Five Years	
		FY2014	FY2015	Cash Balance	Amount	Month
Co 3046 - Fund for Registration of Interpreters	243	6,098	3,683	8,054	1,728	April 2015
Co 3046 - DHS - Other Fees	244	1,734,535	1,198,157	1,207,297	694,792	March 2014
Co 3046 - Prescription Drug Plan Fund	245	570,629	699,678	412,342	8,349	February 2011
Co 3046 - DHS Funds Other	246		53,117	14,112	1,956	July 2014
Co 3091 - Telecomm Fund for Other Disabilities	247	318,838	386,670	145,609	(131,588)	May 2015
Co 3091 - Telecommunication Fund for the Deaf	248	2,877,661	3,084,564	2,382,751	1,189,985	September 2010
Co 3091 - Other	249	(28,900)	(19,138)	(8,907) #	(48,726)	May 2014
Co 5016 - Redfield Resident Investment	250	285,572	268,874	120,568	48,623	September 2010
Co 6508 - DHS Canteen Fund	251	77,663	74,250	76,829	71,968	August 2010
Co 8314 - DHS/SBVI Business Enterprise	252	132,890	153,276	132,869	87,878	July 2010

#Average cash balance and lowest cash balance are actually less than five years due to age of fund.

Refer to the *Supplemental Information and Blue Book* Sections for more information on these and other funds.

SECRETARY

The mission is to continuously monitor and review the programs and services of the department; to ensure efficient and effective delivery of services within each division; and, to coordinate the administrative and financial services for the department through policy and budgetary management.

	Actual FY2014	Actual FY2015	Budgeted FY2016	Agency Request FY2017	Gov Rec FY2017	Gov Rec Inc/Dec FY2017	% Change From FY2016
Personal Services							
Employee Salaries	716,866	807,045	902,309	902,309	902,309	0	0.0%
Employee Benefits	238,350	246,941	286,746	286,746	286,746	0	0.0%
FTE	15.2	15.9	17.0	17.0	17.0	0.0	0.0%
Funding Types							
General	505,592	556,147	630,375	630,375	630,375	0	0.0%
Federal	449,624	497,840	558,680	558,680	558,680	0	0.0%
Other	0	0	0	0	0	0	0.0%
Total PS	955,216	1,053,987	1,189,055	1,189,055	1,189,055	0	0.0%
Operating Expenses							
Travel	32,425	30,430	40,004	40,004	40,004	0	0.0%
Contractual Services	179,325	175,743	196,873	196,873	196,873	0	0.0%
Supplies & Materials	17,060	19,515	29,490	29,490	29,490	0	0.0%
Grants And Subsidies	135,650	140,352	151,715	154,901	155,811	4,096	2.7%
Capital Outlay	15,137	14,480	9,659	9,659	9,659	0	0.0%
Funding Types							
General	275,404	275,946	283,927	287,113	288,023	4,096	1.4%
Federal	104,193	104,574	142,393	142,393	142,393	0	0.0%
Other	0	0	1,421	1,421	1,421	0	0.0%
Total OE	379,597	380,520	427,741	430,927	431,837	4,096	1.0%
Totals							
Funding Types							
General	780,996	832,093	914,302	917,488	918,398	4,096	0.4%
Federal	553,817	602,414	701,073	701,073	701,073	0	0.0%
Other	0	0	1,421	1,421	1,421	0	0.0%
Total	1,334,813	1,434,507	1,616,796	1,619,982	1,620,892	4,096	0.3%

Budget Notes

2.7% Discretionary Provider Inflation: Increase of **\$4,096** from **general funds** for the Governor's recommended 2.7% increase to provider rates.

DEVELOPMENTAL DISABILITIES

The mission is to ensure that people with developmental disabilities have equal opportunities and receive the services and supports they need to live and work in South Dakota communities.

	Actual FY2014	Actual FY2015	Budgeted FY2016	Agency Request FY2017	Gov Rec FY2017	Gov Rec Inc/Dec FY2017	% Change From FY2016
Personal Services							
Employee Salaries	960,609	993,411	1,080,936	1,080,936	1,080,936	0	0.0%
Employee Benefits	306,070	309,049	316,864	316,864	316,864	0	0.0%
FTE	18.8	19.6	20.5	20.5	20.5	0.0	0.0%
Funding Types							
General	643,537	690,667	704,324	704,324	704,324	0	0.0%
Federal	623,141	611,793	693,476	693,476	693,476	0	0.0%
Other	0	0	0	0	0	0	0.0%
Total PS	1,266,679	1,302,460	1,397,800	1,397,800	1,397,800	0	0.0%
Operating Expenses							
Travel	90,082	91,401	101,524	101,524	101,524	0	0.0%
Contractual Services	681,613	967,096	766,950	769,102	769,102	2,152	0.3%
Supplies & Materials	23,344	50,278	25,198	25,198	25,198	0	0.0%
Grants And Subsidies	112,293,465	121,004,189	142,775,168	141,484,894	141,001,149	(1,774,019)	(1.2%)
Capital Outlay	24,053	55,666	6,570	6,570	6,570	0	0.0%
Other	39,409	41,625	0	0	0	0	0.0%
Funding Types							
General	50,021,682	55,039,422	59,509,716	60,157,366	59,888,271	378,555	0.6%
Federal	63,130,284	62,946,574	72,506,254	76,592,959	76,327,538	3,821,284	5.3%
Other	0	4,224,258	11,659,440	5,636,963	5,687,734	(5,971,706)	(51.2%)
Total OE	113,151,966	122,210,255	143,675,410	142,387,288	141,903,543	(1,771,867)	(1.2%)
Totals							
Funding Types							
General	50,665,219	55,730,089	60,214,040	60,861,690	60,592,595	378,555	0.6%
Federal	63,753,426	63,558,367	73,199,730	77,286,435	77,021,014	3,821,284	5.2%
Other	0	4,224,258	11,659,440	5,636,963	5,687,734	(5,971,706)	(51.2%)
Total	114,418,645	123,512,715	145,073,210	143,785,088	143,301,343	(1,771,867)	(1.2%)

Budget Notes

Growth in HCBS Adult Eligibles: Increase of **\$1,721,016** from **general funds** and an increase of **\$2,091,291** in **federal fund** expenditure authority for growth in Adult Title XIX (Medicaid) Home and Community Based Services (HCBS). These services are provided by the nineteen (19) Community Support Providers (CSPs) and support people with all levels of intellectual and developmental disabilities. The department estimates a net growth of 53 people as predicted by historical trend analysis data. Rates for individuals' service are determined through the Service Based Rate System and are dependent on the service needs of the person. Total Increase: \$3,750,307. See calculation on next page:

FY17 Growth in HCBS Adults (Provided by DHS):

Adults	FY13	FY14	FY15	3 year avg. Projected for FY16	Day Rate**	# Days	Total	
Discharges-Death	38	34	30	34.00	\$166.26	(365)	\$ (2,063,286.60)	
Discharges-Other ₂	51	56	64	57.00	\$118.96	(365)	\$ (2,474,962.80)	\$ (4,538,249.40)
Admissions								
From SDDC	20	13	14	15.67	\$437.86	365	\$ 2,504,370.46	
Other admits ₃	71	46	65	60.67	\$93.62	365	\$ 2,073,172.77	\$ 4,577,543.23
Kids Turning 21 ₁	70	79	63	62.00	\$124.14	365	\$ 2,809,288.20	\$ 7,386,831.43
CCHS Kids Turning 21				6.00	\$437.86	365	\$ 958,916.58	\$ 8,345,748.00
Total				53.34			\$ 3,807,498.60	
Minus Cost share and Absent bed days (1.5%)							\$ 3,750,307.31	\$ 57,191.29
General Funds at blended FMAP of 45.89%							\$ 1,721,016.02	GF
							\$ 2,029,291.28	FF

*DHS utilizes trend analysis of admissions and discharges in the system to project growth in consumers. The three-year average has proven to be most indicative and predictive of the recent trends with in the DD system.

**The daily rate utilized to project costs is the average of each individualized rate for every person discharged or admitted in each category during FY15. Indexed forward for inflation.

₁The number of kids turning 21 is an actual number based on a survey of all Community Support Providers (CSP) and Children's Care Hospital & School (CCHS). The survey is conducted in March of each year to determine the number of children requiring adult services from a CSP. The survey is used to identify children with disabilities becoming adults during FY17 for which the state will be required to provide services.

₂Other Discharges include discharges to skilled nursing facilities, out of state placements, family, SDDC, HSC, jail, family support, individuals ineligible for HCBS services, and some people supported choose to discontinue services.

₃Other admits include admissions from family, out of state placements, HSC, skilled nursing facility, jail, CCHS, and family support.

Utilization Reductions: Decrease of **(\$3,540,295)** in **federal fund** expenditure authority and a decrease of **(\$5,741,038)** in **other fund** expenditure authority that is no longer necessary. Total Decrease: **(\$9,281,333)**.

2.7% Discretionary Provider Inflation: Increase of **\$1,513,109** from **general funds**, increase of **\$2,017,582** in **federal fund** expenditure authority, and an increase of **\$228,468** in **other fund** expenditure authority for the Governor's recommended 2.7% increase to provider rates. Total Increase: **\$3,759,159**

FMAP: Decrease of **(\$2,855,570)** from **general funds**, decrease of **(\$459,136)** in **other fund** expenditure authority, and an increase of **\$3,314,706** in **federal fund** expenditure authority due to the increase in the FMAP.

	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Revenues				
Deposits to Federal Funds:				
Title XIX - Medicaid Administration	893,297	1,384,671	1,139,247	1,141,337
Title XIX - Medicaid Provider	61,988,359	62,530,341	71,310,991	75,152,244
Family Preservation - Respite (DSS)	35,750	35,750	35,750	35,750
Respite Care - Maternal (DOH)	100,000	100,000	100,000	100,000
Deposit to Other Funds:				
School District Match	0	4,276,355	8,920,881	5,687,734
<i>Total</i>	63,017,406	68,327,117	81,506,869	82,117,065

	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Selected Statistical Data:				
Long Term Care Funding:				
Medicaid HCBS -# Kids	152	139	145	145
Medicaid HCBS -# Adults	2,475	2,510	2,580	2,633
Community Training Services	316	316	320	320
Total	2,943	2,965	3,045	3,098
Overall Service Budget	\$103,306,807	\$109,159,090	\$117,679,038	\$124,743,821
Average Daily Expend. Rate: HCBS Child	\$154.95	\$164.85	\$168.87	\$173.53
Average Daily Expend. Rate: HCBS Adult	\$113.60	\$116.61	\$119.52	\$122.75
Average Annual Expenditure: HCBS Adult	\$39,601	\$40,895	\$42,823	\$44,518
Community/Family Services ADP by Funding:				
Family Support 360	1,028	1,078	1,158	1,170
Statewide Family Support	342	357	375	400
Respite Care	684	701	725	725
Adult Foster Care	3	2	1	1
Total Served	2,057	2,138	2,259	2,296
Overall Service Budget	\$4,422,533	\$5,000,467	\$5,706,535	5,845,952
Annual Expenditures per Person:				
Family Support 360	\$3,908	\$4,254	\$4,427	\$4,492
Statewide Family Support	\$389	\$398	\$333	\$313
Respite Care	\$381	\$376	\$578	\$594
Adult Foster Care	\$3,995	\$4,600	\$4,600	\$4,600
Private ICF/MR Federal Expenditure Authority	\$3,830,967	\$6,140,376	\$12,327,231	\$8,440,175
Per Diem	\$472.00	\$487.58	\$499.77	\$513.26

SD DEVELOPMENTAL CENTER (SDDC) - REDFIELD

The mission of the South Dakota Developmental Center is to provide individualized treatment services and supports to people with developmental disabilities and challenging behaviors only when needed services are not available in a community setting.

	Actual FY2014	Actual FY2015	Budgeted FY2016	Agency Request FY2017	Gov Rec FY2017	Gov Rec Inc/Dec FY2017	% Change From FY2016
Personal Services							
Employee Salaries	13,240,170	13,915,973	14,403,374	14,403,374	14,403,374	0	0.0%
Employee Benefits	5,354,323	5,367,226	5,703,254	5,703,254	5,703,254	0	0.0%
FTE	372.8	367.9	379.6	379.6	377.6	(2.0)	(0.5%)
Funding Types							
General	8,518,416	9,232,006	9,710,428	9,210,169	9,210,169	(500,259)	(5.2%)
Federal	10,076,077	10,051,193	10,396,200	10,896,459	10,896,459	500,259	4.8%
Other	0	0	0	0	0	0	0.0%
Total PS	18,594,492	19,283,199	20,106,628	20,106,628	20,106,628	0	0.0%
Operating Expenses							
Travel	68,245	77,267	79,793	79,793	79,793	0	0.0%
Contractual Services	3,291,731	3,407,982	3,490,999	3,499,456	3,503,339	12,340	0.4%
Supplies & Materials	876,820	863,246	1,027,598	940,123	944,568	(83,030)	(8.1%)
Grants And Subsidies	475,788	528,923	1,085,667	1,085,667	1,085,667	0	0.0%
Capital Outlay	250,440	224,899	212,580	212,580	212,580	0	0.0%
Other	2,478		0	0	0	0	0.0%
Funding Types							
General	2,033,607	2,300,774	2,442,285	2,285,141	2,288,962	(153,323)	(6.3%)
Federal	2,620,083	2,556,252	2,662,207	2,737,754	2,742,261	80,054	3.0%
Other	311,810	245,291	792,145	794,724	794,724	2,579	0.3%
Total OE	4,965,500	5,102,316	5,896,637	5,817,619	5,825,947	(70,690)	(1.2%)
Totals							
Funding Types							
General	10,552,023	11,532,780	12,152,713	11,495,310	11,499,131	(653,582)	(5.4%)
Federal	12,696,160	12,607,445	13,058,407	13,634,213	13,638,720	580,313	4.4%
Other	311,810	245,291	792,145	794,724	794,724	2,579	0.3%
Total	23,559,992	24,385,515	26,003,265	25,924,247	25,932,575	(70,690)	(0.3%)

Budget Notes

Utilities: Decrease of **(\$42,697)** from **general funds** and a decrease of **(\$50,344)** in **federal fund** expenditure authority due to decreased utility expenses as projected by the Office of the State Engineer. Total Decrease: **(\$93,041)**

Food Service: Increase of **\$7,382** from **general funds**, increase of **\$12,390** in **federal fund** expenditure authority, and an increase of **\$2,579** in **other fund** expenditure authority. Total Increase: **\$22,351**

FTE Reduction from Program Three: Decrease of **(2.0)** FTE.

FMAP: Decrease of **(\$618,267)** from **general funds** with a corresponding increase of **\$618,267** in **federal fund** expenditure authority due to the increase in the FMAP.

Revenues	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Deposits to General Funds:				
Care and Maintenance	543,699	580,894	562,297	562,297
Counties	70,320	73,920	72,120	72,120
Deposits to Federal Funds:				
Title XIX - Provider	12,483,965	13,019,414	12,837,727	13,378,442
School Breakfast and Lunch	211,137	221,928	221,928	221,928
Deposits to Other Funds:				
Prescription Drug Plan	351,953	374,339	363,146	363,146
Admin/Food Service/School & Public Lands	191,719	149,151	186,007	186,007
Interest/Resident Investment	247,184	19,040	25,075	25,075
<i>Total</i>	14,099,977	14,438,686	14,268,300	14,809,015

Selected Statistical Data:	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Average Daily Population	135	139	132	132
Population at June 30	140	140	132	132
Admissions to Youth/Adult Program	17/20	10/21	10/20	8/15
Discharges from Youth/Adult Program	8/16	11/20	10/28	8/15
Average Length of Stay at June 30 (Years)	6.8	7.0	6.8	6.8
Average Length of Stay at Discharge (Years)	7.3	3.5	3.5	3.5
Range of Length of Stay at Discharge	90 days-28 yrs	61 days-39 yrs	30 days-40 yrs	30 days-40 yrs
Recidivism/Repeat Admissions	11	14	8	8
Employees (FTE's)/Turnover Rate	385.6/20%	379.6/25%	379.6/25%	379.6/20%
Employee Separations	72	89	72	72
Direct Care Positions/Turnover Rate	184.5/26%	184.5/35%	184.5/30%	184.5/30%
% Employees Receiving Longevity	59%	57%	57%	57%
Agency Cost per Person Day	\$481.30	\$480.64	\$539.71	\$538.07

REHABILITATION SERVICES

The mission is to assist individuals with disabilities to obtain employment, economic self-sufficiency, personal independence, and full inclusion into society.

	Actual FY2014	Actual FY2015	Budgeted FY2016	Agency Request FY2017	Gov Rec FY2017	Gov Rec Inc/Dec FY2017	% Change From FY2016
Personal Services							
Employee Salaries	3,336,416	4,104,739	4,583,897	4,654,217	4,651,021	67,124	1.5%
Employee Benefits	1,327,490	1,369,412	1,448,667	1,475,953	1,475,497	26,830	1.9%
FTE	93.4	96.9	99.1	101.1	101.1	2.0	2.0%
Funding Types							
General	776,536	795,005	819,247	868,050	866,224	46,977	5.7%
Federal	3,887,370	4,679,146	5,213,317	5,262,120	5,260,294	46,977	0.9%
Other	0	0	0	0	0	0	0.0%
Total PS	4,663,906	5,474,151	6,032,564	6,130,170	6,126,518	93,954	1.6%
Operating Expenses							
Travel	102,682	121,958	148,189	152,389	152,389	4,200	2.8%
Contractual Services	2,888,413	3,288,556	2,650,129	2,650,129	2,650,129	0	0.0%
Supplies & Materials	157,055	174,316	194,281	196,327	196,327	2,046	1.1%
Grants And Subsidies	11,961,866	12,544,771	13,934,016	14,742,276	14,447,718	513,702	3.7%
Capital Outlay	331,807	242,166	217,289	219,629	219,629	2,340	1.1%
Other	9	15,108	0	0	0	0	0.0%
Funding Types							
General	3,208,857	3,573,419	3,620,085	3,908,875	3,776,851	156,766	4.3%
Federal	10,150,518	9,700,586	10,728,715	11,256,771	11,094,237	365,522	3.4%
Other	2,082,456	3,112,868	2,795,104	2,795,104	2,795,104	0	0.0%
Total OE	15,441,831	16,386,872	17,143,904	17,960,750	17,666,192	522,288	3.0%
Totals							
Funding Types							
General	3,985,393	4,368,424	4,439,332	4,776,925	4,643,075	203,743	4.6%
Federal	14,037,888	14,379,732	15,942,032	16,518,891	16,354,531	412,499	2.6%
Other	2,082,456	3,112,868	2,795,104	2,795,104	2,795,104	0	0.0%
Total	20,105,737	21,861,023	23,176,468	24,090,920	23,792,710	616,242	2.7%

Budget Notes

Assistive Daily Living Services (ADLS) Waiver Enhancements: Increase of **\$120,549** from **general funds** and an increase of **\$142,143** in **federal fund** expenditure authority for service expansion to better support ADLS waiver participants in their community. Total Increase: \$262,692

The ADLS Program is a Title XIX Medicaid waiver established by statute 28-6-1 that expands services to individuals with quadriplegia resulting from spinal cord and other medical conditions such as multiple sclerosis, cerebral palsy, muscular dystrophy, etc. Services include service coordination, consumer preparation, personal attendant services, emergency response, private duty nursing, and incontinence supply assistance. Case management is designed to monitor and assist the individual to gain access to services

contained in the service plan. Consumer preparation provides training to the individual in personal health maintenance and managing a personal attendant. Personal attendant services are tasks performed by an attendant that the individual could not do for themselves such as toileting, feeding, bathing, dressing, etc. Emergency response is an electronic device that enables the individual to summon assistance in the event of an emergency. Private duty nursing is skilled nursing services that must be performed by a registered nurse. Incontinence supplies are any supply that supports bowel or bladder care for the participant.

The Division of Rehabilitation Services is required to demonstrate cost neutrality for the ADLS waiver. Cost neutrality is determined by comparing the cost of serving individuals in this program to the cost to serve an individual in a nursing home. Program cost cannot exceed nursing home costs. The average annual cost of maintaining an individual with quadriplegia in a nursing home for FY2016 is estimated at \$76,962. The estimated cost to support an individual with quadriplegia on this program for FY2016 is \$43,934.

Conflict Free Case Management: Increase of **\$51,270** from **general funds**, increase of **\$51,270** in **federal fund** expenditure authority, and an increase of **2.0 FTE** for the salary and related costs of hiring two service coordinators to ensure conflict free case management of ADLS waiver participants. Total Increase: \$102,540

Federal regulations now restrict providers of home and community-based services from providing case management and direct supports to the same individual. To ensure conflict-free case management that provides participants choices of providers and full access to available services, the state agency will assume responsibility of providing case management services to the participants of the Assistive Daily Living Services Medicaid waiver. Case management includes comprehensive assessments, development of service plans, information and referral, monitoring, follow-up, and service plan reviews.

Providers to 90% of Costs: Increase of **\$55,134** from **general funds** and an increase of **\$65,010** in **federal fund** expenditure authority to increase reimbursement rates of in-home services provided through the ADLS waiver as part of the Governor's recommendation to move providers to 90% of allowable costs in three years. Total Increase: \$120,144

The chart below illustrates that this increase, plus the 2.7% discretionary rate increase recommended by the Governor, will result in providers of ADLS in-home services being reimbursed at 85% of their costs in FY2017 based on 2010 (full) and 2014 (partial) cost reports.

	Most Recent Cost Report Available	After 2.7% Provider Inflation		Year 1 of 3		
		General Fund cost to get to 90% of Methodology	Percent of Methodology Paid	1/3 Cost	Remaining 2/3 cost to get to 90% of Methodology	Percent of Methodology Paid
In Home Services (ADLS Waiver)	2010 Full - 2014 Partial	\$165,401	83%	\$55,134	\$110,267	85%

2.7% Discretionary Provider Inflation: The Governor recommends a 2.7% increase to provider rates. This recommendation results in an increase of **\$74,224** from **general funds** and an increase of **\$56,642** in **federal fund** expenditure authority. Total Increase: \$130,866

FMAP: Decrease of **(\$97,434)** from **general funds** with a corresponding increase of **\$97,434** in **federal fund** expenditure authority due to the increase in the FMAP.

Revenues	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Deposits to Federal Funds:				
Title XIX - Medicaid Administration	67,470	24,009	45,740	53,096
Title XIX - Medicaid Provider	1,785,401	1,771,464	2,019,906	2,381,135
Disability Determination Services	4,025,903	4,552,460	4,447,679	4,447,679
In-Service Training	16,829	16,266	563	
Independent Living (Part B)	271,006	283,715	305,350	305,350
Technology Related Assistance	429,764	368,842	411,024	411,024
Basic Support (Title I, Section 110)	7,215,908	7,137,717	3,139,876	8,274,184
Supported Employment (Title VI-C)	407,428	238,831	300,000	300,000
Deposits to Other Funds:				
Co-op Agreement Match	11,243	12,150	11,697	11,697
Registration of Interpreters	4,715	6,385	5,550	5,550
Social Security Administration Program	832,731	1,008,043	920,387	920,387
Ticket To Work	340,477	151,229	245,853	245,853
Total	15,408,875	15,571,111	11,853,625	17,355,955

Selected Statistical Data:	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Vocational Rehabilitation Case Load	5,264	4,790	4,900	5,000
Eligible Individuals Receiving VR Services	4,697	4,280	4,400	4,500
Rehabilitated/Successful Employment	861	862	800	810
Average Yearly Income at Application/Closure	\$2,243/\$14,801	\$2,903/\$14,728	\$2,900/\$14,800	\$2,900/\$14,800
Annual Income of All Successful Individuals	\$12,743,661	\$12,975,000	\$11,840,000	\$11,840,000
Individuals Receiving Supported Employment	591	\$645	\$650	\$655
Individuals Receiving Independent Living Services	2,792	2,373	2,425	2,525
Individuals Receiving Personal Attendant Services	115	117	124	128
Interpreters Receiving Mentoring Services	40	42	44	45
Social Security Disability Claims Processed	8,168	9,590	9,200	9,200

TELECOMMUNICATION DEVICES FOR THE DEAF

The mission is to provide telecommunication services and devices that afford equal access to telecommunication to individuals in South Dakota who are deaf, hearing impaired, speech impaired, or have other disabilities that affect those individuals' ability to utilize a phone.

	Actual FY2014	Actual FY2015	Budgeted FY2016	Agency Request FY2017	Gov Rec FY2017	Gov Rec Inc/Dec FY2017	% Change From FY2016
Operating Expenses							
Travel	1,160		0	0	0	0	0.0%
Contractual Services	586,990	671,490	600,000	600,000	600,000	0	0.0%
Supplies & Materials	106	589	0	0	0	0	0.0%
Grants And Subsidies	289,318	323,332	576,680	576,680	576,680	0	0.0%
Capital Outlay	83,652	87,376	125,000	125,000	125,000	0	0.0%
Funding Types							
General	0	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	961,225	1,082,787	1,301,680	1,301,680	1,301,680	0	0.0%
Total OE	961,225	1,082,787	1,301,680	1,301,680	1,301,680	0	0.0%
Totals							
Funding Types							
General	0	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	961,225	1,082,787	1,301,680	1,301,680	1,301,680	0	0.0%
Total	961,225	1,082,787	1,301,680	1,301,680	1,301,680	0	0.0%

Budget Notes

No changes recommended.

Revenues	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Deposits to Other Funds:				
Telecommunication Relay Services	\$1,391,594	\$1,377,168	\$1,399,135	\$1,379,427
Telecommunication Adaptive Devices (TAD)	\$154,622	\$153,019	\$155,459	\$153,270
National Deaf-Blind EDP	\$62,429	\$52,593	\$68,121	\$68,121
<i>Total</i>	\$1,608,645	\$1,582,780	\$1,622,715	\$1,600,818
Selected Statistical Data:				
Minutes of TRS Provided	107,108	91,501	82,351	74,116
Minutes of CapTel Provided	210,076	187,370	167,118	149,055
TRS Devices-Individuals Who Are Deaf	713	725	735	750
TRS Devices-Other Disabilities	974	1,028	1,040	1,050

SERVICE TO THE BLIND & VISUALLY IMPAIRED

The mission is to provide individualized rehabilitation services that result in optimal employment and independent living outcomes for citizens who are blind or visually impaired.

	Actual FY2014	Actual FY2015	Budgeted FY2016	Agency Request FY2017	Gov Rec FY2017	Gov Rec Inc/Dec FY2017	% Change From FY2016
Personal Services							
Employee Salaries	1,216,084	1,278,521	1,414,234	1,414,234	1,414,234	0	0.0%
Employee Benefits	440,127	431,153	465,662	465,662	465,662	0	0.0%
FTE	27.8	28.2	29.2	29.2	29.2	0.0	0.0%
Funding Types							
General	470,549	477,591	491,232	491,232	491,232	0	0.0%
Federal	1,044,156	1,080,727	1,210,141	1,210,141	1,210,141	0	0.0%
Other	141,507	151,357	178,523	178,523	178,523	0	0.0%
Total PS	1,656,211	1,709,674	1,879,896	1,879,896	1,879,896	0	0.0%
Operating Expenses							
Travel	71,606	75,682	94,631	94,631	94,631	0	0.0%
Contractual Services	470,290	446,745	387,307	387,307	387,307	0	0.0%
Supplies & Materials	54,878	63,994	44,536	44,536	44,536	0	0.0%
Grants And Subsidies	992,483	990,312	1,515,465	1,515,465	1,515,465	0	0.0%
Capital Outlay	188,493	114,307	27,414	27,414	27,414	0	0.0%
Other	3,717	4,004	0	0	0	0	0.0%
Funding Types							
General	460,242	461,053	462,175	462,175	462,175	0	0.0%
Federal	1,240,421	1,031,532	1,404,146	1,404,146	1,404,146	0	0.0%
Other	80,804	202,460	203,032	203,032	203,032	0	0.0%
Total OE	1,781,467	1,695,045	2,069,353	2,069,353	2,069,353	0	0.0%
Totals							
Funding Types							
General	930,791	938,644	953,407	953,407	953,407	0	0.0%
Federal	2,284,577	2,112,258	2,614,287	2,614,287	2,614,287	0	0.0%
Other	222,311	353,817	381,555	381,555	381,555	0	0.0%
Total	3,437,679	3,404,719	3,949,249	3,949,249	3,949,249	0	0.0%

Budget Notes

No changes recommended.

Revenues	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Deposits to Federal Funds:				
In-Service Training	17,601	17,170	4,758	0
Basic Support (Title I, Section 110)	2,028,117	1,792,276	2,034,969	2,068,546
Supported Employment (Title VI-C)	8,299	2,189	0	0
Independent Living-Elderly Blind (Ch 2)	207,677	277,573	225,000	225,000
Deposits to Other Funds:				
Ticket To Work	25,167	17,621	21,394	21,394
SD Vocational Resources-Fees for Srvc	147,762	158,866	153,836	153,836
SBVI Memorials / CCTV Lease	30,274	28,910	28,390	28,390
Social Security Admin. Program Income	63,855	115,895	66,173	66,173
Vending - BEP and Rest Area	102,180	87,132	89,536	89,536
<i>Total</i>	2,630,932	2,497,632	2,624,056	2,652,875

Selected Statistical Data:	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Rehabilitation Center for the Blind:				
Client Hours	8,130	8,100	8,250	8,350
Trainees	62	114	117	120
Employment Skills Training	116	85	90	93
Low Vision Services:				
Clinics Conducted	17	19	19	19
Clients Served	82	92	94	95
Vocational Rehabilitation Outcomes:				
Clients Served	534	509	529	549
Successfully Employed	121	121	122	123
Independent Living Outcomes:				
Consumers Served	563	617	634	641
Successful Outcomes	258	258	312	318
Closed Circuit TV Lease Program:				
CCTV Units	199	208	210	232
CCTV Consumers Served	239	279	252	285

Major Budget Change History

FY2015:

- **Non-Federal Match for Medicaid Waiver Services:** Increase other fund expenditure authority of \$11,260,785. Other fund authority was appropriated to provide the non-federal match for Medicaid waiver services for children receiving comprehensive and residential services on the CHOICES waiver. Previous to FY15, local school districts provided the non-federal match for Medicaid funding directly to Community Support Providers. CMS mandated the non-federal match be either a direct appropriation of general funds or an intergovernmental transfer from the local school district to the state so all expenses flow through the Medicaid Management Information System. Local school districts continue to provide the non-federal match for youth placed by the school district. The funding flows through an other fund company and is paid to the provider in a revenue neutral process to the State, thus meeting the CMS requirements. There will be no additional cost to the school district. They submit payment to DHS rather than the CSP and all claims/funding are made through the Medicaid system.

FY2014:

- **Communications Officer Position (1.0 FTE):** This position is responsible for developing and managing a pro-active communications strategy to promote the department's programs, inform the public of available services, and educate consumers, legislators, and the general public on the department's mission and efforts toward executing that mission.
- **Office of Community Living (2.0 FTE): Program Specialist II** position manages a coordinated effort to assist people with disabilities with transitions from life in institutional settings as well as providing ongoing community supports for people to fully access life in home and community based settings. **Program Specialist II** position researches and develops options to address community capacity and infrastructure needs for supporting people with complex challenges, crisis/behavior supports and interventions in home and community based settings.

General Fund Reversions from the General Appropriations Act:

FY 2011: \$ 0

FY 2012: \$ 599,629

FY 2013: \$ 573,324

FY 2014: \$ 449,184

FY 2015: \$ 760,848