

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 15-3386/1	Introduction Number SB-290	
Description Requiring verification from court orders for eligibility for public assistance programs		
Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input checked="" type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
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Fiscal Estimate Narratives

DCF 12/1/2015

LRB Number	15-3386/1	Introduction Number	SB-290	Estimate Type	Original
Description Requiring verification from court orders for eligibility for public assistance programs					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, eligibility for several public assistance programs, including Wisconsin Works, Wisconsin Shares, and child support assistance, is dependent on the applicant's arrangement or relationship with a child. These arrangements include whether the applicant has custody of a child, whether a child resides with the applicant, and any other relevant relationship. The arrangement is clarified and verified by several methods depending on the program, including accessing school records and acquiring birth certificates. In some cases, the relationship may be established by a court order. If the relationship is established by means other than a court order, the court order would not need to be verified.

Under the bill, if a person's eligibility for public assistance depends on their relationship with a child, and that relationship is set out in a court order, DCF must verify the information the person provides about their relationship by accessing the applicable court order.

Within the Wisconsin Shares program, there is already a process in place where court orders are verified for guardianship, kinship and foster care placement. This process is not automated and requires the county worker to manually verify the court order. Requiring verification of the relationship for other applicants by accessing the applicable court order would increase the workload of local administration of child care eligibility. The Department of Health Services (DHS) estimates that the bill would increase administrative costs for income maintenance (IM) workers by \$930,000 annually. Eligibility determinations for Wisconsin Shares are approximately 3.5% of the total IM workload, resulting in increased costs for Shares eligibility determinations of \$32,600 annually. DHS estimates that costs for Milwaukee Enrollment Services (MilES) would increase by \$373,000 annually. The DCF portion would be approximately 5% of the total, or \$18,700 annually. The bill does not provide additional funding for DCF or for county contracts to administer child care at the local level.

In regards to Child Support, if families were determined ineligible for other benefit programs as a result of this new verification process, they may seek county child support services to establish a court order to show a relationship with the child. This could lead to an increase in both fee revenues and workload for local child support agencies.

Under the Wisconsin Works (W-2) program, the relationship between applicants and their children is rarely established solely through a court order. In many cases the information is already available through alternative records. Currently, in the few cases where a court order is the only method of verification of custody, the Financial and Employment Planner (FEP) has to use the manual verification form and come up with a work-around to pend the case while waiting for the verification. Expanding this process would likely increase FEP workload and administrative costs at W-2 agencies. The bill does not provide additional funding for the W-2 contracts to account for the increase in workload.

Finally, the Department anticipates costs associated with constructing a data exchange between DHS, DCF and the court systems. DHS indicates establishing an automated system would require costs of at least \$2 million, with ongoing data exchanges at \$250,000 annually. DHS also anticipates a one-time cost of \$100,000 to enhance the Client Assistance for Reemployment and Economic Support (CARES) system to accommodate the necessary IT changes and interface with the new data exchanges. DCF would be responsible for its share of these changes and updates, for a total cost of \$168,000, plus ongoing costs of \$20,000.

The fiscal effect for DCF would be initial implementation costs of \$168,000 and ongoing costs of \$71,300.

Long-Range Fiscal Implications