

Fiscal Estimate Narratives

DCF 3/30/2015

LRB Number	15-1549/1	Introduction Number	AB-0140	Estimate Type	Original
Description Annual statements showing total public assistance and unemployment insurance benefits received					

Assumptions Used in Arriving at Fiscal Estimate

The bill defines "public assistance benefits" to mean services, benefits, payments, or other assistance provided under a program administered by the Department under Chapter 49. Benefits, as defined, must be converted to a monetary value.

In DCF, programs under Chapter 49 include Wisconsin Community Services, AODA Treatment Grants, Literacy Grants, Children First, Wisconsin Works (W-2), Transform Milwaukee, Emergency Assistance, Job Access Loans, Domestic Abuse Grants, Child Support, Community Services Block Grant Community Action Agencies, and Wisconsin Shares. In many of these programs, DCF provides services through contractors, grantees, or local governments.

DCF currently has several IT systems that collect data for some of these programs. For example, child care providers currently have the ability to look up each child or each family in the Child Care Provider Information Web and compile a report to show all issuances by attendance period, including YoungStar amounts, paid on behalf of each child in their program. However, if children are in shared placements, benefits may be received in two households.

In addition, the Client Assistance for Reemployment and Economic Support (CARES) System collects data related to several programs, such as W-2 and Transform Milwaukee. Information is available to track benefit payments by individual or family. However, there is no system to track and assign value to non-monetary benefits received by individuals and families participating in programming, such as case management. W-2 agencies do not report services provided at an individual level. Only total cost for a number of service categories is provided. The requirement to create such a tracking system could result in significant administrative costs to the W-2 agencies and to the Department.

Similarly, for child support, none of the services provided by child support agencies, such as appearing in court for hearings, reviewing and adjusting court orders when there is a significant change in the paying parent's income, processing automated withholding for the paying parent's employer, can be quantified because staff time and other costs are not reported on a case-by-case basis. They are reported on an agency-wide basis.

Further, there are programs for which we contract, such as domestic abuse services and services provided by Community Action Agencies under the Community Services Block Grant Program, that do not provide this level of individual information. The local agencies are not collecting individual names or the monetary value of services provided. For example, the Department does not collect information from domestic abuse shelters about which individuals spent time there or the value of that service (federal law prohibits the state from collecting this information without the individual's consent).

To collect the required individual information for these programs, as well as track the monetary value of services, a new reporting/tracking system would need to be created to collect the required information from agencies and counties.

The requirements gathering phase for an informational technology (IT) project for a new reporting system would be extensive. Without the necessary requirements, it is more difficult to estimate the fiscal implications of creating a system that both matches individuals receiving benefits currently through our main program IT systems and providing a portal to capture data from our contracted partners for programs which currently have no benefit tracking methodology or capability. From past experience, we assume that this type of effort would require both DCF IT staff at a rate of approximately \$85 per hour and external IT vendor staff at a rate of approximately \$105 per hour. Based on previous experience, we estimate a project of this magnitude would require at least 80,000 hours of work effort between the IT vendor and the internal DCF IT staff. If the work were evenly distributed between the two IT work areas, the system would cost at

least \$7.6 million (40,000 hours of DCF IT and 40,000 hours of vendor IT costs). This estimate does not include the cost for training time or ongoing maintenance.

Long-Range Fiscal Implications

There will be some ongoing maintenance costs associated with the new IT systems required to collect and manage individual and family data.

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Annual statements showing total public assistance and unemployment insurance benefits received		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
\$7,600,000		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
Authorized Signature		Date
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