

Grants Management Advisory Committee (GMAC) Ad-Hoc Needs Assessment Subcommittee

May 24, 2016

Agenda Item IV

Remarks Concerning New Materials

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At the request of the GMAC Ad-Hoc Needs Assessment Subcommittee, staff has prepared three documents to assist in the subcommittee's discussion about State Fiscal Year (SFY) 2018 and 2019 funding priorities.

IVa. Work Flow – Establishing FHN Priorities

This document illustrates the process that is followed to translate findings from periodic Statewide Community Needs Assessments to a legislatively approved, working budget for the Fund for a Healthy Nevada (FHN). The process begins with data collection and continues with adoption of recommendations by three separate citizen advisory bodies. These first two steps drive budget development at the Department level, which informs development of the Governor's recommended budget, which then drives the legislative budgeting process. Nevada Revised Statute (NRS) 439.630 – the FHN statute – contains the mandate for a public process.

IVb. FHN Diagram

This document serves two purposes.

- It provides a visual picture of the statutory and non-statutory programs that the FHN spending plan supports in the current budget cycle. Blue boxes are statutory programs. Red and brown boxes contain programs that are not specifically named in statute but that (1) are allowable and (2) were identified as funding priorities in the 2014 needs assessment process.
- The document also maps the general scope of work of each citizen advisory committee. The GMAC is linked with programs that are funded through the Office of Community Partnerships and Grants (e.g., Hunger One-Stop Shops, Family Resource Centers, Nevada 2-1-1 and services for persons with disabilities). Likewise, the Commission on Aging (CoA) is linked with Senior Rx, Disability Rx and Senior Independent Living, which are administered by the Aging and Disability Services Division. The Commission on Services for Persons with Disabilities (CSPD) does not have oversight of programs under Disability Services, but it is evident that these are the programs that most concern the population the commission represents.

The FHN Diagram is not meant to limit the GMAC's recommendations but to provide some perspective about the basic intent of the process.

IVc. FHN Worksheet

This spreadsheet was created in response to the subcommittee's request for a document that might help them recommend specific funding amounts for identified priorities. The first two

money columns contain the budgeted amounts for each FHN allocation in SFY16 and SFY17. The totals at the bottom of those two columns represent the available funding for this biennium. The figures in bold at the top of the columns labeled SFY18 and SFY19 represent the **projected** available funding for the next biennium. These numbers are not guaranteed. The actual funding for SFY18 will not be certain until April of 2017 when Nevada receives the Tobacco Settlement payment that will support SFY18 programs. The actual funding for SFY19 will not be certain until April of 2018.

The program areas on the spreadsheet are color-coded to match the FHN Diagram. Blue programs are statutory. Red and brown programs are not specifically named in statute but (1) are allowable and (2) were identified as funding priorities in the 2014 needs assessment process. A few blank lines were inserted at the bottom of the Wellness and Disability Services sections for write-ins.

Staff Observations and Recommendations

As noted, the FHN Worksheet was developed in response to the subcommittee's request for a document that might help them recommend specific funding amounts for identified priorities. The end product may not be as comprehensive as the subcommittee expected, however. Specifically, it does not include information about other funding streams that support services prioritized during the needs assessment. The volume and complexity of this information, along with the constantly changing levels and sources of support, made it impossible to be precise or to create a manageable document that could easily be followed and interpreted.

Careful consideration of the subcommittee's request, coupled with the task of creating the FHN Worksheet, led staff to offer the following observations and recommendations.

1. Many factors will come into play during development of the SFY18-19 FHN spending plan. Any specific recommendations about funding amounts made by the subcommittee or the full GMAC will be considered, but there is a high risk that this exercise will be negated during the budgeting process. Following are some of the known variables.
 - Recommendations from the CoA and the CSPD will be considered along with the GMAC recommendations.
 - The FHN statute requires the DHHS Director to maximize expenditures through local, federal and private matching contributions, and ensure that any money expended from the Fund will not be used to supplant existing methods of funding that are available to public agencies.
 - In accordance with the provisions of the preceding bullet, the Director's Office is currently gathering important information from State agencies that receive FHN funds in order to (1) ensure that all reimbursable services are being billed to third party payers and (2) determine whether FHN support is still needed after substantial rollout of the Affordable Care Act and Medicaid Expansion.
 - As previously noted, the projected amounts available in SFY18 and SFY19 are subject to change.

- Administrative costs must be calculated and appropriately applied in each program area.
 - Historically, program allocations change frequently during development of the Agency Request Budget and are subject to further changes during each subsequent step of the process.
2. Staff recommends that the subcommittee utilize the needs assessment report to identify service categories and programs most critical to supporting target populations, and frame recommendations around that premise. This high-level guidance will be very beneficial to the DHHS Director. *(Target populations include, but are not necessarily limited to, at-risk or disadvantaged families, persons with disabilities and their caregivers, and seniors.)*
 3. To supplement the basic recommendations, subcommittee members may wish to identify funding strategies. An example given at the subcommittee meeting on May 5, 2016 involved emergency services. This category was a high priority among providers and consumers who participated in the needs assessment survey and/or public forums. A potential funding strategy would be to increase support to Family Resource Centers, which already offer some degree of emergency assistance. *(This is just an example of a funding strategy and not a staff recommendation.)*
 4. To clarify staff statements made at the May 5, 2016 subcommittee meeting, the statutory mandate for a needs assessment process is rooted in the FHN NRS. First and foremost, that is the reason the GMAC subcommittee is developing funding priority recommendations to present to the full committee. However, in December, the full GMAC sent a letter to the DHHS Director encouraging him to utilize the results of the needs assessment more broadly. Members felt that the information could be useful in budget development beyond FHN. The DHHS Director agreed. With that in mind, staff would like to reiterate that the subcommittee is welcome to adopt any recommendations they feel are in the best interest of Nevadans. All recommendations will be considered by the DHHS Director in the development of the FHN spending plan and the DHHS budget as a whole.