



Budgetary Impact of the Eldorado Case (FLDS)

Presentation to the Senate Finance Committee

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Executive Commissioner**

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- **On March 29, 2008, an allegation of abuse at the Yearning for Zion (YFZ) Ranch near Eldorado, Texas, was received.**
- **On April 3, 2008, Child Protective Services (CPS) and law enforcement entered the YFZ Ranch.**
- **The court has placed 465 children under the Temporary Managing Conservatorship of the state.**
- **The court has ordered that all children will receive a status hearing before June 5, 2008.**

Unprecedented Effort

Immediate Need

- **HHS agencies, in cooperation with the Governor's Emergency Management Division, Department of Public Safety, and others, met the needs of over 500 women and children**
 - Shelter, food, clothes, security and medical attention
- **HHSC established a financial desk at incident command**
 - In order to assure financial stability and meet the vendors' needs, one central office for all agencies and vendors providing services was designated.
- **HHSC procured and coordinated sourcing for funding from multiple agencies**
 - Department of Family and Protective Services (DFPS)
 - Department of State Health Services (DSHS)
 - Health and Human Services Commission (HHSC)
 - Department of Public Safety (DPS)
 - Local entities
 - Non-profit organizations
- **HHSC established a method to ensure financial integrity and meet the growing needs for shelter, food, and clothing**

- **Unified Command Operations (Financial Desk)**
 - Identified procurement needs by requestors
 - Approved/denied the procurement requests made by the Unified Commander
 - Entered requests upon receipt into the procurement request tracking log
 - Directed decisions to HHS procurement regarding sourcing, either ProCards or purchase orders
- **Demobilization**
 - Identified the service vendors and vendors with leased equipment via reports provided by HHSC
 - Contacted vendors with leased equipment to notify them that lease was terminated and collected equipment
 - Identified the last day a contractual service was needed
- **Internal Audit Review**
 - On April 17-18, 2008, an onsite review was conducted by a three member team of the HHSC IA Office to ensure that the operational processes and procedures for which HHSC was responsible for at the financial desk were well defined and verifiable.

A State and Local Response Effort

- **State Agency Involvement**
 - Governor’s Emergency Management Division
 - Department of Family and Protective Services
 - Department of State Health Services
 - Health and Human Services Commission
 - Department of Assistive and Rehabilitative Services
 - Department of Aging and Disability Services
 - Department of Public Safety
 - Texas Military Forces
 - Texas Department of Criminal Justice
 - Texas Forest Service
- **Local Government**
 - City of Eldorado
 - City of San Angelo
 - Tom Green County
 - Schleicher County
 - Reagan County Sheriff’s Office
 - Sutton County Sheriff’s Office
 - Midland County Sheriff’s Office
 - City of Midland Fire Department
- **Other Organizations**
 - Baptist Children and Family Services
 - The Salvation Army
 - The American Red Cross
 - Victim Relief Ministries
 - Texas Baptist Men
 - Community Emergency Response Team
 - ALERT (The Air Land Emergency Resource Team)

* This may not reflect all organizations who contributed to the effort.



Estimated Summary of Costs to Date

Reported Overtime from March 29 through May 3, 2008

1,914 HHS Workers worked 57,767 Overtime Hours

Health and Human Services Commission*	\$	43,419
Department of Family and Protective Services*	\$	953,134
Department of State Health Services*	\$	227,945
Department of Assistive and Rehabilitative Services*	\$	9,782
Department of Aging and Disability Services*	\$	5,498
HHS Total -	\$	1,239,778
Texas Department of Public Safety/Gov. Division of Emergency Management	\$	409,749
Texas Forest Service	\$	37,648
Non-HHS Total -	\$	447,397
Reported Overtime Total -	\$	1,687,175

*Based on information entered as of May 15, 2008.



Estimated Summary of Costs to Date

State Staff Travel (Transportation, Meals, and Lodging)*

Health and Human Services Commission	\$	50,250
Department of Family and Protective Services	\$	991,705
Department of State Health Services	\$	42,902
Department of Assistive and Rehabilitative Services	\$	9,950
Department of Aging and Disability Services	\$	-
HHS Total -	\$	1,094,807
Texas Department of Public Safety/Gov. Division of Emergency Management	\$	77,421
Texas Forest Service	\$	14,850
Non-HHS Total -	\$	92,271
State Staff Travel Total -	\$	1,187,078

*Based on reported travel through May 15, 2008.



Estimated Summary of Costs to Date

Goods and Services*

Buses	\$	1,069,468
Local Government	\$	467,811
Staffing and Support of the Unified Command Center	\$	279,719
Janitorial	\$	132,430
Professional Services	\$	119,613
Other	\$	114,834
Supplies	\$	102,099
Building and Equipment Rental	\$	85,605
Fuel	\$	10,270
Temps	\$	6,516
Ambulances	\$	2,695
Total -	\$	2,391,058

* Costs are based on invoices received as of May 15, 2008.



Recap of Expenses by Agency

Health and Human Services Commission	\$	93,669
Department of Family and Protective Services	\$	4,335,897
Department of State Health Services	\$	270,847
Department of Assistive and Rehabilitative Services	\$	19,731
Department of Aging and Disability Services	\$	5,498
	Total - \$	4,725,643
Total for Non-HHS Agencies	\$	539,668
	Overall Total - \$	5,265,311

Note: Amounts will increase with receipt of new invoices and may shift within agencies based on final determination of payee.

Goods and Services, Costs Invoiced by Local Governments

These invoiced costs are a subset of total goods and services reported above.

City of San Angelo*	\$	400,916
Tom Green County	\$	65,037
Reagan County Sheriff	\$	1,859
Schleicher County/Eldorado**	\$	-
Sutton County Sheriff**	\$	-
Midland County Sheriff**	\$	-
City of Midland Fire Department**	\$	-
Total -	\$	467,811

* Additional invoices expected.

** No invoices have been received as of May 15, 2008.

Types of Expenditures

Staffing
Law Enforcement/Public Safety
Cooling Fans
Building and Equipment Rental
Emergency Electrical Work



Estimated Average Monthly Costs

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DFPS - Foster Care Placements*	\$	987,200
HHSC - Medicaid	\$	325,500
Total -	\$	1,312,700

Estimated Average Monthly Cost per Client

DFPS - Foster Care Placements*	\$	2,123
HHSC - Medicaid	\$	700
Total -	\$	2,823

*Costs associated with foster care placements may vary in upcoming months due to the number of placements and intensity of service.

Note: The number of clients used is 465 children as of May 15, 2008.

Estimated Average Monthly Cost

DFPS - Staff (Anticipated)	\$	425,000
FTEs		96

Additional Staffing Requirements

Additional Staff

- Add 70 substitute care functional unit staff, including 42 caseworkers, to address the additional workload
 - Creates seven new substitute care units
 - Allows an average daily caseload to decrease from 39 to 15 per caseworker in these units
 - Utilizes tenured staff from across the state
 - Will replace tenured staff positions with new positions
- Hire ten attorneys and legal assistants to represent the department, collect evidence, and file petitions, orders and motions in each case
- Hire nine additional staff to coordinate services such as education/medical, CASA/legal, and care in the child's placement
- Hire seven additional direct delivery and support staff to address the additional workload in areas such as eligibility, preparation for adult living, and provider billing

Next Steps / Actions Needed

- **Funding Transfers**
 - Letter to the LBB and Governor’s Office from HHSC requesting authority to transfer funds within health and human services agencies for costs that cannot be absorbed with existing resources
- **Medicaid Caseload and Costs**
 - Reconcile Medicaid provider costs to reflect increased costs to HHSC as a result of higher caseloads and costs
- **Foster Care Impact**
 - Capacity limitations within service delivery area (Region 9)
 - Placement costs outside of the region and across the state
 - Transportation and supervision to court hearings or for visitation
- **Staffing Needs**
 - Legislative authority to transfer funds to address long term staffing needs at DFPS
 - Substitute care caseworkers
 - Attorneys and legal assistants