



# JUVENILE JUSTICE SERVICES

EXECUTIVE OFFICES AND CRIMINAL JUSTICE APPROPRIATIONS SUBCOMMITTEE  
STAFF: ZACKERY KING

## BUDGET BRIEF

### SUMMARY

The Division of Juvenile Justice Services (DJJS) serves youth offenders with a comprehensive array of programs, including home detention, secure detention, case management, community services, observation and assessment, long-term secure facilities, transition, and youth parole. Juvenile Justice Services is a division within the Department of Human Services but has been assigned to the Executive Offices and Criminal Justice Appropriations Subcommittee for Legislative oversight. Prior to FY 2004, DJJS was known as the Division of Youth Corrections. DJJS is responsible for all youth offenders committed by the state's Juvenile Court for secure confinement or supervision and treatment in the community. DJJS also operates receiving centers and youth services centers for non-custodial and/or non-adjudicated youth.

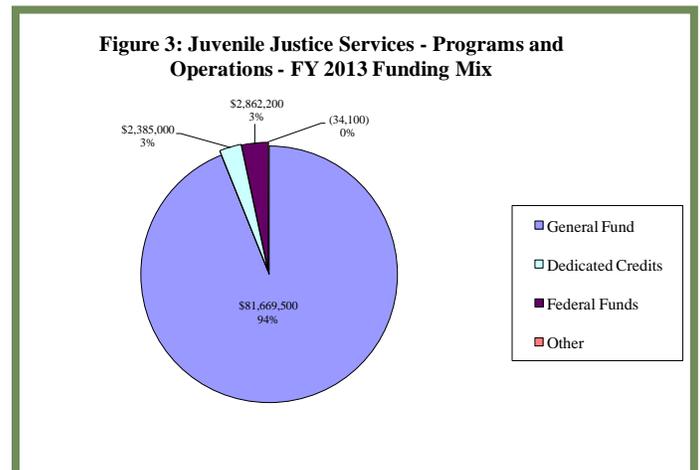
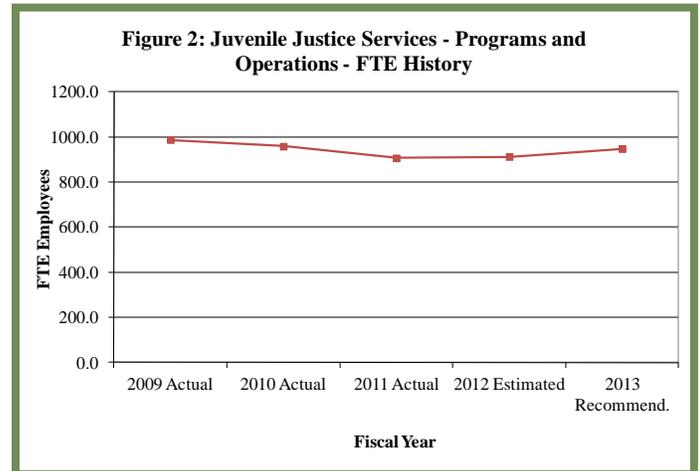
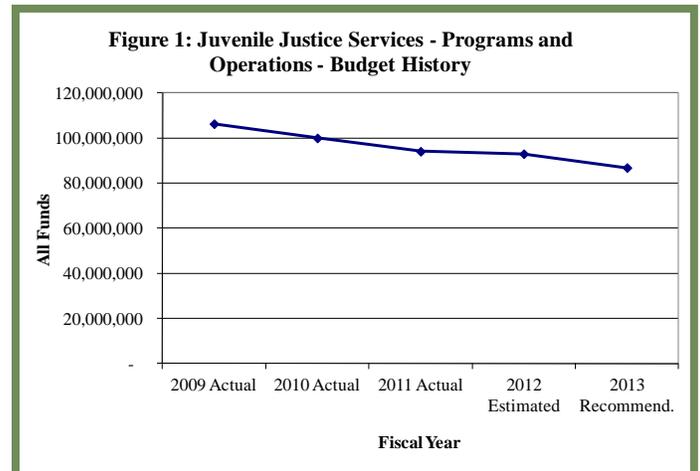
In addition to the services outlined above, the division's Youth Parole Authority has the responsibility for parole release, rescission, revocation, and graduation from the system for youth offenders committed to DJJS for secure confinement. The authority determines when and under what conditions youth offenders are eligible for parole.

DJJS operates one line item: Programs and Operations. Currently, DJJS programs include:

- DJJS Administration
- Early Intervention Services
- Community Programs
- Correctional Facilities
- Rural Programs
- Youth Parole Authority

For additional detailed information on DJJS, see the Compendium of Budget Information prepared for the 2012 General Session at:

[http://le.utah.gov/lfa/reports/cobi2012/agcy\\_210.htm](http://le.utah.gov/lfa/reports/cobi2012/agcy_210.htm)



**ISSUES AND RECOMMENDATIONS**

***Budget Adoption***

For the Division of Juvenile Justice Services, the Fiscal Analyst recommends an FY 2013 budget of \$86,882,600 as shown in the budget detail table on page 4.

***Intent Language***

The Governor has recommended the following intent language for JJS:

*Funds for Juvenile Justice Services are nonlapsing.*

The Fiscal Analyst recommends the subcommittee consider intent language authorizing JJS nonlapsing authority for its FY 2012 funds.

***FMAP Rate Change***

For the Division of Juvenile Justice Services, the Fiscal Analyst recommends the subcommittee approve \$116,500 ongoing General Fund appropriations, beginning in FY 2013, for the change in the Federal Medicaid Assistance Percentage (FMAP).

FMAP represents the federal share of the programmatic costs for Medicaid and Title IV-E funds for foster care settings. The federal government utilizes a formula to determine the annual percent of medical assistance based on a rolling three year average of per capita income levels compared to the national average. By law the FMAP rate cannot be lower than 50 percent or higher than 83 percent.

For fiscal years 2011 and 2012, ARRA funds have been used to compensate for the FMAP rate change affecting agencies. This being the case, the State has not adjusted its FMAP funding levels accordingly. This recommendation will bring JJS' State FMAP funding into agreement with the current rate. The tables below break down the FMAP rate changes since FY 2011, a decrease of 1.48 percent. Aggregate rate funding adjustments for FY 2011 through FY 2013 are also broken down. FMAP rates have been adjusted to reflect the state fiscal year.

<b>FMAP Rates By Fiscal Year</b>			
<b>Fiscal Year</b>	<b>Federal Percentage</b>	<b>State Percentage</b>	<b>Change</b>
2011	71.268%	28.733%	-0.170%
2012	71.025%	28.975%	-0.243%
2013 (A)	69.955%	30.045%	-1.070%

<b>Aggregate FMAP Rate Adjustments for Juvenile Justice Services Since FY 2011</b>			
<b>Program</b>	<b>General Funds</b>	<b>Medicaid Funds</b>	<b>Title IVE Funds</b>
Administration (KJA)	\$900	\$0	(\$900)
Early Intervention (KJC)	\$1,800	\$0	(\$1,800)
Community Support (KJD)	\$86,400	(\$65,400)	(\$21,000)
Rural Support (KJJ)	\$27,400	(\$22,100)	(\$5,300)
<b>DJJS Total</b>	<b>\$116,500</b>	<b>(\$87,500)</b>	<b>(\$29,000)</b>

***Fees***

The Fiscal Analyst recommends the subcommittee approve fees for DJJS as shown in the issue brief titled “Executive Offices and Criminal Justice: Fees.” No changes have been made from FY 2012 to FY 2013.

### ***Federal Funds***

The Fiscal Analyst recommends the subcommittee approve federal funds for the Department of Juvenile Justice Services as shown in the issue briefs titled “Executive Offices and Criminal Justice: Federal Funds FY 2012” and “Executive Offices and Criminal Justice: Federal Funds FY 2013.”

### ***Governor’s Recommendations***

1. Workcamp Custody/Probation - \$1,600,000 ongoing General Fund.
2. Youth Services and Receiving Centers - \$2,500,000 one-time General Fund.
3. Federal Medicaid Assistance Percentage - \$116,500 ongoing General Fund

### ***Reduction in Medicaid Funds – (Background for item numbers 1 and 2 in Governor’s Recommendations)***

#### ***Background***

Prior to July 1, 2010, services providers were paid a "bundled rate" for residential treatment services provided to delinquent youth: the bundled rate included payment for care and supervision, mental health assessments, therapy, and psychosocial rehabilitative services. JJS contracted for various residential services--each having its own rate and "service bundle."

The federal government continues to examine and redefine Medicaid eligibility. Medicaid requirements effective July 1, 2010 resulted in the loss of federal participation in the cost of providing DJJS residential treatment services. For example, the new requirements prohibited Medicaid reimbursement for services delivered in facilities that exceed 16 beds, eliminating many previously eligible DJJS treatment providers. Effective July 1, 2010, Medicaid required the "unbundling" of services and disallowed federal funding of many treatment costs associated with the care and supervision of delinquent youth, such as housing and feeding costs. In general, only direct treatment services could be billed, such as outpatient mental health services that are discretely billed on a fee-for-service basis. This has pushed the costs for housing and feeding of delinquent youths onto DJJS and providers.

For a detailed history of the loss of Medicaid funds, see the 2010 Issue Brief Loss of Federal Medicaid Funds for Children and Youth in Residential Care at: <http://le.utah.gov/interim/2010/pdf/00000405.pdf>.

Additional background information about DJJS can be found in the Compendium of Budget Information at: [http://le.utah.gov/lfa/reports/cobi2012/agcy\\_210.htm](http://le.utah.gov/lfa/reports/cobi2012/agcy_210.htm)

#### ***Funding History***

In response to the Medicaid funding reductions described, the Utah Legislature has appropriated funds as shown below:

FY 2011 - \$7,740,000 one-time General Fund

FY 2012 - \$3,000,000 one-time General Fund, and nonlapsing authority for 2.9 million dollars of carry-over funding from FY 2011.

#### ***2012 General Session Reporting***

In correlation with the one-time funding for Medicaid reductions described in this section, the Executive Offices and Criminal Justice Appropriations Subcommittee (EOCJ) passed three pieces of intent language during the 2011 General Session and required DJJS to report on each piece of intent language during the 2012 General Session. The issue brief titled “Juvenile Justice Services – Follow Up – On Previous Intent Language” lists these three pieces of intent language and provides a summary statement from DJJS on each.

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**BUDGET DETAIL TABLE**

Juvenile Justice Services - Programs and Operations						
Sources of Finance	FY 2011 Actual	FY 2012 Appropriated	Changes	FY 2012 Revised	Changes	FY 2013* Recommended
General Fund	82,143,100	81,669,500	0	81,669,500	0	81,669,500
General Fund, One-time	7,740,000	3,000,000	0	3,000,000	(3,000,000)	0
Federal Funds	2,063,400	2,891,200	(545,200)	2,346,000	516,200	2,862,200
American Recovery and Reinvestm	703,500	0	452,500	452,500	(452,500)	0
Dedicated Credits Revenue	2,334,300	2,815,500	(430,500)	2,385,000	0	2,385,000
Transfers - Child Nutrition	935,600	906,500	38,500	945,000	0	945,000
Transfers - Commission on Crimin	809,800	876,600	(27,600)	849,000	(312,100)	536,900
Transfers - Medicaid	(800,200)	(1,544,400)	467,800	(1,076,600)	0	(1,076,600)
Transfers - Other Agencies	(29,900)	0	(30,900)	(30,900)	0	(30,900)
Transfers - Within Agency	(408,500)	116,600	(525,100)	(408,500)	0	(408,500)
Beginning Nonlapsing	1,500,000	0	2,884,000	2,884,000	(2,884,000)	0
Closing Nonlapsing	(2,884,000)	0	0	0	0	0
<b>Total</b>	<b>\$94,107,100</b>	<b>\$90,731,500</b>	<b>\$2,283,500</b>	<b>\$93,015,000</b>	<b>(\$6,132,400)</b>	<b>\$86,882,600</b>
<b>Programs</b>						
Administration	4,391,200	4,127,700	28,800	4,156,500	0	4,156,500
Community Programs	27,885,700	25,917,700	1,635,700	27,553,400	(386,700)	27,166,700
Correctional Facilities	27,730,300	28,036,500	(462,500)	27,574,000	(1,579,900)	25,994,100
Early Intervention Services	11,325,800	11,237,800	(104,600)	11,133,200	(4,022,400)	7,110,800
Rural Programs	22,425,300	21,047,000	1,194,600	22,241,600	(143,400)	22,098,200
Youth Parole Authority	348,800	364,800	(8,500)	356,300	0	356,300
<b>Total</b>	<b>\$94,107,100</b>	<b>\$90,731,500</b>	<b>\$2,283,500</b>	<b>\$93,015,000</b>	<b>(\$6,132,400)</b>	<b>\$86,882,600</b>
<b>Categories of Expenditure</b>						
Personnel Services	52,445,900	53,550,400	(644,200)	52,906,200	(4,423,500)	48,482,700
In-state Travel	112,800	179,400	(1,500)	177,900	(15,900)	162,000
Out-of-state Travel	14,900	18,300	3,600	21,900	(800)	21,100
Current Expense	10,652,400	17,434,200	(7,024,300)	10,409,900	(896,800)	9,513,100
DP Current Expense	1,311,300	1,073,000	29,500	1,102,500	(56,100)	1,046,400
Capital Outlay	818,600	10,000	45,000	55,000	(40,000)	15,000
Other Charges/Pass Thru	28,751,200	18,466,200	9,875,400	28,341,600	(699,300)	27,642,300
<b>Total</b>	<b>\$94,107,100</b>	<b>\$90,731,500</b>	<b>\$2,283,500</b>	<b>\$93,015,000</b>	<b>(\$6,132,400)</b>	<b>\$86,882,600</b>
<b>Other Data</b>						
Budgeted FTE	906.8	953.5	(40.5)	913.0	35.0	948.0
Actual FTE	910.9	0.0	0.0	0.0	0.0	0.0
Vehicles	143.0	145.0	0.0	145.0	0.0	145.0

\*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.

**SUMMARY OF RECOMMENDATIONS**

The Analyst recommends the Legislature:

1. Adopt a FY 2013 recommended budget of \$86,882,600 with the plan of financing shown directly above for the Division of Juvenile Justice Services.
2. Approve the \$116,500 ongoing General Fund appropriation to bring state FMAP rates up to the FY 2013 level.
3. Approve the DJJS fee schedule as shown in the issue brief titled "Executive Offices and Criminal Justice: Fees."
4. Consider intent language authorizing JJS nonlapsing authority for its FY 2012 funds.
5. Approve federal funds for JJS as shown in the issue briefs titled "Executive Offices and Criminal Justice: Federal Funds FY 2012" and "Executive Offices and Criminal Justice: Federal Funds FY 2013."