

## Department of Public Health—Continued

*a. Contractual services—from Public Health*----- \$229,954

This is approximately the same amount which is estimated to be expended on this activity during the current year.

*b. Study of cost and effectiveness of automotive maintenance program*----- \$50,000

This program would be carried out under contract with a qualified private laboratory in which 100 cars would be tested. As many as possible of these vehicles will be from the 100 cars tested in the original Motor Vehicle Pollution Control Board baseline survey which was provided by a private contract laboratory. These cars would be given a hot start baseline test, then taken to a commercial garage for a conventional tuneup. They would then be retested and given a smog control tuneup by an approved procedure by the test laboratory, including new parts when necessary. They would then be divided into two groups, one of which would receive minor engine modifications. All cars would then be retested to obtain a new baseline showing the maximum improvement that could be expected. After 6 or 12 months operation these cars would again be tested to see how permanent the improvements were. From this data, an estimate could be made of the relative cost to the motorist of the three approaches to clean exhaust, and their relative merits. The feasibility of reducing air pollution by any combination of these methods could then be calculated as a basis for future board actions.

*c. Motor Vehicle Pollution Control Board criteria testing for certification of exhaust devices*----- \$40,000

This program will also be carried out under contract with a qualified private laboratory to test certain criteria which have been established by the board, but require certain facilities which are not available at the Los Angeles Vehicle Testing Facility.

*d. Other contracts*----- \$7,902

This would provide funds for essential support evaluations and studies of exhaust and crankcase emission problems which arise, as the board's program moves ahead, in such areas as the development of truck and bus procedures.

## SOCIAL WELFARE

### Summary of Aid Expenditures

The number of people receiving social welfare benefits and the cost of welfare programs will increase sharply in 1963-64. The proposed budget estimates that over 750,000 persons will receive grants-in-aid or social services from welfare departments at a total cost of \$827.2 million. This represents an increase of \$89.8 million (12 percent) over estimated expenditures for the current budget year. These figures include federal, state and county funds and costs of administration as well as grants-in-aid. A summary of social welfare costs for the years

## Social Welfare

## General Summary

### Social Welfare—Continued

1951-52, 1961-62, 1962-63, and proposed expenditures for 1963-64 appears below.

### SUMMARY OF SOCIAL WELFARE COSTS

(In millions of dollars)

#### State, County and Federal Funds

| Categorical aids <sup>1</sup>      | Actual—1951-52 |          | Actual—1961-62 |          | Budget estimate<br>1962-63 |          | Budget estimate<br>1963-64 |          |
|------------------------------------|----------------|----------|----------------|----------|----------------------------|----------|----------------------------|----------|
|                                    | Cost           | Caseload | Cost           | Caseload | Cost                       | Caseload | Cost                       | Caseload |
| Old age security                   | \$219.8        | 272,860  | \$301.2        | 252,543  | \$337.8                    | 250,000  | \$356.3                    | 264,200  |
| Aid to the blind <sup>2</sup>      | 11.1           | 11,406   | 18.3           | 13,135   | 19.3                       | 12,555   | 19.4                       | 12,295   |
| Aid to needy children              | 80.5           | 136,558  | 190.8          | 331,227  | 196.8                      | 346,770  | 220.3 <sup>3</sup>         | 369,235  |
| Aid to needy disabled              | —              | —        | 20.7           | 17,168   | 37.4                       | 27,930   | 53.2 <sup>3</sup>          | 38,200   |
| Medical assistance for<br>the aged | —              | —        | 22.8           | —        | 68.8                       | —        | 92.2                       | —        |
| Total aid costs and<br>caseloads   | \$311.4        | 420,824  | \$553.8        | 614,073  | \$800.1                    | 646,255  | \$741.4                    | 688,930  |
| Costs other than aid <sup>4</sup>  | 22.4           | —        | 56.2           | —        | 77.3                       | —        | 85.8                       | —        |
|                                    | \$333.8        | —        | \$610.0        | —        | \$877.4                    | —        | \$827.2                    | —        |

<sup>1</sup> Includes public assistance medical care.

<sup>2</sup> Consists of aid to needy blind and aid to partially self-supporting blind.

<sup>3</sup> Aid to needy children and aid to needy disabled contain a total of \$7.5 million for 1963-64 legislative program not yet enacted.

<sup>4</sup> Local administration items, licensing, adoptions and state administration.

The State's share of welfare costs is estimated to increase \$51.5 million over estimated costs for 1962-63. Following is a program-by-program tabulation of these increases.

#### Welfare Cost Increases—State General Funds 1962-63 to 1963-64

##### Assistance: <sup>1</sup>

|  |                           |
|--|---------------------------|
| Old Age Security                         | \$9,308,772               |
| Aid to Needy Blind                       | 135,173                   |
| Aid to Potentially-Self-Supporting Blind | 26,200                    |
| Aid to Needy Children                    | 14,267,929                |
| Aid to Needy Disabled                    | 8,540,362                 |
| Medical Assistance for Aged              | 18,606,455 <sup>2</sup>   |
| Local Administration                     | —117,705                  |
| Adoptions and Licensing                  | 810,981                   |
| Total Increase—General Funds             | \$51,578,167 <sup>3</sup> |

<sup>1</sup> Includes state administration and medical care.

<sup>2</sup> \$9,953,514 of the State's share of MAA in 1962-63 is financed out of surplus in the Medical Care Premium Deposit Fund.

<sup>3</sup> A total of \$7,500,000 is included in the budget for 1963 legislative programs affecting the Aid to Needy Children and Aid to Needy Disabled programs.

The Department of Social Welfare spent much of its time in 1961-62 implementing new programs and program increases provided by legislation in the 1961 General Session. Following is a brief list of major legislative changes:

#### 1. Medical Assistance for the Aged

A medical assistance program (MAA) for aged persons not currently receiving Old Age Security was passed in order to take advantage of federal funds being offered through the federal Kerr-Mills Act. This program offers financial aid for nursing home or hospital in-patient care beyond the 30th day of confinement. The program is designed to serve medically indigent persons over 65 who pass a means test similar to the Old Age Security program. The program also includes a com-

**Social Welfare—Continued**

plete list of medical care services for patients and those who have been released from hospitals or nursing homes. The cost of the program is shared one-half by federal funds, one-fourth by state funds and one-fourth by county funds.

**2. Old Age Security**

Major 1961 legislation in the Old Age Security (OAS) program included the repeal of citizenship as an eligibility requirement, the liberalization of responsible relatives requirements, an increase in the statutory maximum grant to \$165, and an escalator clause giving the State Social Welfare Board the authority to adjust maximum grants annually for increases in the cost of living. The application of this escalator clause plus increases in the federal share since 1961 have caused the maximum grant to increase from \$165 to \$171.

**3. Aid to Needy Blind**

Similar grant increases were provided for Aid to Needy Blind recipients. The maximum grant was increased to \$165 and also included an escalator clause. The application of the escalator clause by the Social Welfare Board plus increases in the federal share have increased the maximum grant to \$175. Responsible relatives provisions and citizenship requirements were both repealed for this program.

**4. Aid to Needy Disabled**

The grant structure in this program differs from the other categorical aids. Instead of having a basic and maximum grant, it has a maximum average grant for all recipients. In 1961, the Legislature increased the maximum average grant from \$98 to \$100 per month. The definition of disability was also liberalized and caused the caseload to increase considerably. Responsible relatives provisions and citizenship requirements were entirely deleted.

**5. Aid to Needy Children**

Aid to Needy Children recipients in boarding homes and institutions received a \$5 grant increase.

**Welfare Study Commission**

A Welfare Study Commission was established in 1961 to study the entire field of public welfare in California and make recommendations to the 1963 Legislature. A report was presented to the Legislature on January 1, 1963, and the major recommendations are summarized below. The commission was composed of 26 members consisting of three county welfare directors, four county supervisors, three county administrators, a district attorney, a county probation officer, a superior court judge, four representatives from the general public, the chairman of the State Social Welfare Board, the Director of the State Department of Social Welfare, four members of the Legislature, and as ex officio members, the Directors of the Departments of Public Health and Mental Hygiene. Legislative representatives were nonvoting members. The commission divided itself into four major committees: Financing of Public Welfare; Perspectives, Objectives and Content of Programs;

## Social Welfare—Continued

Administration and Services; Staffing and Manpower. Commission support included commission staff personnel, special consultants reports and a technical committee and a citizens advisory committee.

Following is a condensation of the legislative recommendations of the Welfare Study Commission:

✓ 1. Extend Aid to Needy Children to include families with unemployed parents, if coupled with a program of work relief.

✓ 2. Broaden the definition of disability in the Aid to Needy Disabled program to cover persons unemployable because of their permanent disability.

3. Alter the function of the State Social Welfare Board to make it advisory and transfer its present functions to the Director of the Department of Social Welfare.

✓ 4. Adopt a uniform state-county cost-sharing ratio for all welfare costs except general relief.

5. Redefine state and county responsibilities in public welfare and delineate between responsibilities of all agencies concerned with non-support.

6. Increase training, social welfare research and social services which will help to reduce social and financial dependency.

7. Consolidate nonessential program differences by topic and also experiment with a single classification of adult welfare recipients in selected counties.

8. Replace minimum and maximum grants with maximum average grants such as now used in the Aid to Needy Disabled program.

The Welfare Commission also prepared an extensive list of recommendations which could be adopted by administrative changes. Finally, the commission recommended that there be a commission appointed by the Governor to study problems in families and children causing poverty and dependency. Such a commission would also consider the adoption of a family court system for California.

Some brief comments for clarification of the above recommendations are needed. Recommendations one, two and four would tend to shift costs from the counties to the State.

Both the total and distribution of cost by counties of extending Aid to Needy Children to Unemployed Parents (ANC-UP) is very difficult to predict. However, it is generally felt that large urban counties will benefit, from a financial point of view, while agricultural counties will experience substantial cost increases. The shifting of general relief recipients to a categorical aid program financed from federal and state as well as county funds will result, in varying degrees, in reduction of general relief costs for all counties. Substantial welfare cost increases will probably be experienced in agricultural counties because: (1) their general relief programs may be less than the county share of ANC-UP, (2) agricultural workers who are not eligible for general relief because they have not resided within a single county continuously for one year may become eligible for ANC-UP because the one-year residence will be a state, rather than a county-by-county requirement.

## Social Welfare—Continued

The recommendation to make the State Social Welfare Board advisory is consistent with a report prepared by the Legislative Analyst's office for the Senate Committee on Labor and Welfare in 1962.

The Legislative Analyst also prepared a report in 1962 which is closely related to recommendation No. 8 summarized above. This report entitled "Cost Control Recommendations for Social Welfare Programs" stated that if average grant maximums, of the kind used in the Aid to Needy Disabled program, replaced minimum and maximum grants in all of the other categorical aid programs, administrative flexibility would increase for the Department of Social Welfare at the expense of cost control by the Legislature. However, if such a change were to be accompanied by the requirement that funds for grants-in-aid be appropriated annually in the Budget Bill, then the Legislature would have control of costs and the Department of Social Welfare could still enjoy a greater degree of administrative flexibility. Our report pointed out that although over 15 percent of the total revenue to the General Fund is spent for welfare programs only 3.6 percent of welfare expenditures appears in the Budget Bill. Following is the summary of recommendations contained in the report:

1. It is recommended that the Welfare and Institutions Code be amended to provide for annual appropriations of the State's share of welfare expenditures, through the Budget Bill. Related recommendations are:

(a) That appropriations be transferable between categorical aid programs at the request of the State Department of Social Welfare with approval of the Governor as a means of balancing individual program deficits.

(b) That deficiency appropriations be requested from the Legislature under extenuating circumstances but that they be requested only if the transferring of funds between programs cannot balance a program deficit.

(c) That estimated increases in cost resulting from legislation which increases welfare benefits be amended into the Budget Bill to the extent possible.

(d) That all end-of-year surpluses revert to the General Fund.

2. Provisions in the Welfare and Institutions Code which provide for maximum grants in the Old Age Security (OAS), Aid to Needy Blind (ANB), Aid to Partially Self-Supporting Blind, Aid to Needy Children (ANC) and Medical Assistance for the Aged (MAA) programs and the average maximum grant provision of the Aid to Disabled program (ATD) should be replaced by appropriate sections providing for maximum average grants, and providing further that the level of such maximum average grants together with estimated caseloads shall form the basis of the appropriations in the Budget Bill and thus be subject to annual adjustment and justification.

3. The maximum average grant (average grant per recipient) should not be altered during the fiscal year as a result of increased fed-

**Social Welfare—Continued**

eral participation or cost of living increases, thus permitting the Legislature to take into account the impact of increased federal participation and cost of living increases in establishing grant levels for each fiscal year.

**Other Current Social Welfare Issues**

1. **Residence requirements**—Currently California employs the maximum residence requirements allowable under the Social Security Act. For OAS, ATD and ANB the residence requirement is based on a minimum length of state residence of five out of the last nine years and at least one year of continuous residence prior to application. The residence requirement in the ANC program is one year unless the child is born in this State, and there is no residence requirement for MAA. Legislation may be introduced this session to reduce the residence requirements in the adult categorical aid programs.

2. **Responsible Relatives**—In 1961, responsible relatives provisions were eliminated in the ANB and ATD programs and substantially reduced in Old Age Security. Proposals may be made to eliminate responsible relatives provisions in OAS completely. It is interesting to note that public hearings were conducted by the Citizens' Advisory Committee to the Welfare Commission to test public reaction to eliminating responsible relatives provisions in Old Age Security. In all three of these hearings, people expressed strong opinions that responsible relatives provisions should be strengthened, not deleted.

3. **Public Assistance Medical Care**—A proposal may be made to increase contributions for out-patient medical care services for Aid to Needy Children recipients. Currently, an average of \$3.65 per recipient (every man, woman and child) per month is available to finance medical care services. During 1962 these services had to be practically eliminated for adults in order to continue to provide medical care for the children. The scope of services includes physicians visits, drugs, dental care and related services. The adult categories may spend up to an average of \$15 per recipient per month.

4. **Recoupment Provisions**—California has no provisions to recover any assistance costs from deceased recipient's estates. A total of 32 states had such provisions in 1961, of which 22 secured claims with liens on real property. States having lien laws usually do not enforce the liens while a surviving spouse is living.

Real property provisions are quite generous in California. The real property upon which the recipient's residence exists may be of any value. In addition, a recipient may have other real property up to an assessed value of \$5,000 if it is producing income reasonably consistent with its value. Further, a reserve for future contingencies of either personal or real property of up to \$1,200 per person, or \$2,000 per couple is provided.

Since California is without recoupment provisions, it is actually possible for welfare recipients to complete mortgage payments with welfare funds, then will their property to their children. The children may not have had to contribute anything to the support of their parents.

## Social Welfare—Continued

## 1962 Amendments to the Federal Social Security Act

During the current fiscal year, the Department of Social Welfare has been occupied with preparing to implement administrative and program changes resulting from the 1962 amendments to the Federal Social Security Act, commonly known as HR 10606. A major part of these amendments are directed toward improving social services offered to recipients of welfare with the intended purpose of preventing or reducing financial dependency.

The federal government normally matches administrative costs of the State and counties on a 50-50 basis, for those programs in which the federal government has a pecuniary interest. Principally these are Old Age Security, Aid to Needy Blind, Aid to Needy Disabled, Aid to Needy Children and Medical Assistance for Aged. The federal government will now reimburse 75 percent of administrative costs which can be directly related to services being offered to recipients. They will also contribute 75 percent of administrative costs for in-service training programs for public assistance workers and will provide more federal funds for child welfare services, scholarships for students planning to become public assistance workers, and educational leaves for those currently employed in county welfare departments.

A costly accounting problem is introduced for the states because a careful accounting for every social worker's time in the State will have to be kept in order to report only that time which was spent in actually providing social services to recipients. Also, the State Department of Social Welfare will have to prepare monthly statistical reports which reflect the types and amounts of services rendered in a manner similar to current expenditure reporting.

The 1963-64 Budget request provides for the expansion of the existing state orientation center for beginning county social workers and increased funds for scholarships and educational leave stipends. The department also wants to develop accounting procedures and forms to provide the required information to the federal government in order to receive the increased rate of reimbursement for state and county employees who will be eligible to receive the higher federal rate for administrative costs.

An optional plan is offered to states in HR 10606 to simplify categories of aid by combining the OAS, ANB, ATD and MAA programs. The Welfare Commission has recommended that California test such a plan on an experimental basis if the federal government will pay for the experiment.

Other amendments included in HR 10606 increased the federal share in the categorical aid programs, which has subsequently been passed on to California recipients. The new federal program of Aid to Needy Children of Unemployed Parents (ANC-UP) which was originally offered to states in 1961, to terminate in 1962, was extended to 1967.

## Aid to Needy Children—Unemployed Parents

The extension to 1967 of ANC to unemployed parents, as provided in 1962 amendments to the Federal Social Security Act, undoubtedly means that this will be a principal welfare issue in California in the

## Social Welfare—Continued

1963 General Session, especially since the adoption of such a program is one of the principal recommendations of the Welfare Study Commission.

At the present time there are 14 states that have such a program. Some of the larger states include Massachusetts, New York, Illinois, and Pennsylvania. During the month of October 1962 there were a total of 46,554 families under this program. The largest caseload in any single state was in Pennsylvania with 12,426 cases. New York was second with 10,040 cases. The average grant per family ranged from \$85.31 in Utah to \$250.99 in Illinois.

A statistical summary published in January 1962 by the U.S. Department of Health, Education and Welfare indicates that 46 percent of the applications approved have previously been receiving general assistance. Unemployment compensation benefits were being received at the time of approval by 12 percent of the approved applicants. A fairly rapid turnover rate is a characteristic of this program. Of all the cases receiving ANC-UP which had been added to the program since its beginning in May 1961, 37 percent had gone off the rolls by November 1961. A total of 68 percent of those who went off the rolls did so because they had obtained employment.

## The Aid to Needy Children Program

An ANC child must be under 18 and without sufficient support from a parent. One of his parents must either be deceased, continuously absent from the home for three months, or physically or mentally incapacitated. Children are not eligible if both natural parents are living in the home.

Grants-in-aid provide the major source of subsistence for ANC mothers and their children. Approximately 64 percent of ANC families have no other income. Sources of supplemental outside income for the remaining 36 percent include federal survivors benefits, support from absent parents, and employment of the mother or another family member. The average family consists of 3.8 persons, and the average grant in November 1962 was \$162.96. Medical care is furnished either through county hospitals or the Public Assistance Medical Care program.

The federal government provides \$20.50 per month for every recipient for aid and medical care. The balance of the cost is financed between the state and counties (67½ percent-32½ percent). About half of the mothers have not held a full- or part-time job in the past five years. About 16 percent of the mothers have physical or mental handicaps which preclude them from employment. Approximately 75 percent live in urban areas and 62 percent are from minority groups.

A lack of evidence exists concerning the extent to which ANC mothers are employable. The State Department of Social Welfare estimated in 1958 that 43 percent of ANC mothers were employable. This determination was made on the basis of individual case workers' judgment. One California county recently took a survey of 136 one- and two-child cases to determine how many they felt could work. A total



## Social Welfare—Continued

of 60 were determined to be unable to work, 30 were marginal and 40 were judged to be employable.

During the last few years there has been a trend in social welfare especially with Aid to Needy Children recipients to offer services as well as financial assistance. Several California counties have been attempting to streamline their administration in order to allow more time for public assistance workers to do more than fill out forms to grant aid. The most comprehensive approach to be tried, although differing in scope and method from county to county, is called case management.

## Case Management in California

Case management has been presented to the public as a means of helping those dependent upon public assistance to become self-sufficient. Case management itself is a method of utilizing a public assistance worker's time to its fullest extent. This systematic approach usually consists of: (1) an analysis of a family's programs and/or potentials; (2) a classification of cases according to the severity of their problems or potential for improvement; (3) recommendations of specific services to be offered to families; (4) a plan of what a public assistance worker wants to do to help a recipient or a family; (5) a periodic evaluation to measure a family's progress or regression.

Proponents of the case management approach to social work believe that its efficient application will result in the best use of public assistance workers skills. Although substantial increases in trained staff will be required for maximum results, advocates feel that increased administrative costs will be more than offset by savings realized through the reduction and prevention of financial dependency.

Most case management methods developed in California counties so far have been unduly complex in structure. The great number of forms to fill out when analyzing a family have created administrative burdens beyond the scope of most county welfare departments. Although the State Department of Social Welfare has attempted to formulate a program that would be effective and adaptable to most of the counties, their attempts so far have failed because of extreme differences between counties and the complexity of prior departmental proposals.

The concept upon which case management methods are being developed assumes that public assistance workers can be instrumental in helping adults to alleviate social characteristics or other barriers that are preventing them from being self-sufficient. For example, the development of day care centers at a nominal fee might enable some ANC mothers to work, who otherwise would have to stay home with young children. In most cases, however, it would not be that easy because of social deterioration found in many recipients.

The evaluative aspects of case management have failed to measure the extent to which public assistance services can help people to get off the rolls. It seems necessary that such evaluative controls be developed to prove the assumption that public assistance workers can be effective in helping ANC recipients to become self-sufficient. This should be done before case management methods or social services are extensively developed throughout the State.

## DEPARTMENT OF SOCIAL WELFARE

ITEM 173 of the Budget Bill

Budget page 426

## FOR SUPPORT OF THE STATE DEPARTMENT OF SOCIAL WELFARE FROM THE GENERAL FUND

|   |             |
|---|-------------|
| Amount requested from General Fund              | \$4,568,170 |
| Federal funds                                   | 2,764,866   |
| Total   | \$7,332,536 |
| Estimated to be expended in 1962-63 fiscal year | 6,832,264   |
| Increase (7.3 percent)                          | \$500,272   |
| TOTAL RECOMMENDED REDUCTION                     | \$314,728   |

## Summary of Recommended Reductions

## Community Welfare Services

| Amount | Budget Page | Line |
|--------|-------------|------|
|--------|-------------|------|

## Administration:

## Emergency Welfare Services:

|                                     |          |     |    |
|-------------------------------------|----------|-----|----|
| 1 Training officer II               | \$10,440 | 430 | 27 |
| 3 Emergency welfare liaison officer | 25,812   | 430 | 28 |

## Direct Operations:

## Adoptions:

|                                 |        |     |    |
|---------------------------------|--------|-----|----|
| 1 Child welfare specialist      | 6,744  | 430 | 7  |
| 1 Intermediate stenographer     | 4,344  | 430 | 8  |
| 1 Social service specialist II  | 9,036  | 430 | 10 |
| 2 Child welfare specialist II   | 14,856 | 430 | 11 |
| 1 Child welfare specialist I    | 6,744  | 430 | 12 |
| 0.5 Child welfare specialist I  | 3,372  | 430 | 12 |
| 0.5 Child welfare specialist I  | 3,372  | 430 | 12 |
| 2 Intermediate stenographer     | 8,688  | 430 | 13 |
| 0.5 Intermediate stenographer   | 2,172  | 430 | 13 |
| 3.5 Child welfare specialist II | 25,998 | 430 | 15 |
| 4 Child welfare specialist I    | 26,976 | 430 | 16 |

## Management Services

## Training:

|                       |       |     |    |
|-----------------------|-------|-----|----|
| 1 Training consultant | 8,820 | 430 | 31 |
|-----------------------|-------|-----|----|

## Program Development

## Aid to Needy Disabled Bureau:

|  |       |     |    |
|--|-------|-----|----|
| 0.3 Temporary help—medical consultants | 5,641 | 430 | 19 |
| 1 Medical social work consultant I     | 7,428 | 430 | 20 |
| 1 Intermediate stenographer            | 4,344 | 430 | 21 |

## Family and Childrens Division:

|                                |        |     |    |
|--------------------------------|--------|-----|----|
| 3 Social service specialist II | 31,320 | 429 | 40 |
| 1 Temporary help               | 12,000 | 429 | 40 |

## Planning and Methods Division:

|                             |        |     |    |
|-----------------------------|--------|-----|----|
| 1 Social welfare specialist | 12,696 | 430 | 52 |
|-----------------------------|--------|-----|----|

## Operating Expenses

## Electronic Data Processing:

|   |        |     |    |
|---|--------|-----|----|
| Conversion to electronic data processing system | 20,625 | 430 | 77 |
| Traveling—in-state                              | 15,000 | 430 | 72 |
| Rent  | 48,300 | 430 | 74 |

## GENERAL SUMMARY

The 1963-64 budget estimates that 750,000 persons will receive social welfare aid and other services. Grants-in-aid plus administrative costs will total approximately \$827,000,000 in state, federal and county funds. This is an increase of 34 percent over the \$619 million spent in

## Department of Social Welfare—Continued

1961-62. Expenditures for the current year are estimated to be \$737 million. A summary of aid costs and general discussion of social welfare programs is found on page 490 of this analysis.

## Welfare Administration and Programs

The Federal Social Security Act provides that states having categorical aid programs that are partially supported by federal funds must insure that these programs are uniformly administered. This may be accomplished by either administering the welfare programs directly through a state department or having a state department supervise the county administration of welfare programs. The latter alternative is employed in California. Welfare statutes contained in the Welfare and Institutions Code are the basis for rules and regulations prepared by the State Department of Social Welfare and approved by the State Social Welfare Board. These rules and regulations are incorporated into program manuals which are the basis for the county administration of welfare in California. A few services are provided directly by the State Department of Social Welfare. These include independent adoption services in those counties that do not have such services provided by their county welfare departments, the licensing of day nurseries and institutions for aged and children, intercountry adoptions, the determination of disability in the Aid to Needy Disabled program, and grants for eye surgery under the Prevention of Blindness program.

Social welfare programs which are supported by federal, state and county funds and administered by county welfare departments under the supervision of the State Department of Social Welfare include Old Age Security, Aid to Needy Blind, Aid to Needy Children, Aid to Needy Disabled, plus medical care for the above programs and Medical Assistance for the Aged. The Aid to Needy Children in Boarding Homes and Institutions, and Aid to Potentially Self-supporting Blind programs are financed only by state and county funds. The State also licenses several counties to perform independent and relinquishment adoptions and accredits counties to license, on behalf of the State, boarding homes for children and aged persons that are too small to be licensed by the State directly as institutions. Special projects for administrative assistance for county welfare departments are financed by federal and state funds and child welfare service projects are financed entirely from federal funds. State funds are provided for Grants for Community Services for Older Citizens on a matching basis with county and local government.

## State Social Welfare Board

California has had a State Social Welfare Board since the creation of the Department of Social Welfare in 1927. The Welfare and Institutions Code currently provides that the board consist of seven members appointed by the Governor with the advice and consent of the Senate for a term of four years. Membership of the board is made on the basis of demonstrated interest in social welfare activities. Remuneration is limited to \$50 a month plus necessary traveling expenses.

**Department of Social Welfare—Continued**

Board meetings are held once a month to pass rules and regulations for the administration of welfare programs, establish standards of assistance, and decide appeals from welfare recipients, licensed agencies and aggrieved social workers. Personnel standards for county welfare personnel are also established by the State Social Welfare Board.

**State Department of Social Welfare—Organization****Departmental Administration**

This unit consists of the director's office which includes, besides the director, a chief deputy director, a staff assistant, an information officer and supporting clerical staff, an administrative advisor including hearing officers and related clerical positions, and expenses directly related to the State Social Welfare Board. There are a total of 26.2 authorized positions under departmental administration in the current year.

**Community Welfare Services**

This branch of the department has 330 authorized positions in the current budget year most of which are distributed among three area offices located in Sacramento, San Francisco and Los Angeles. A deputy director and emergency welfare service officer are located in Sacramento along with a division of administrative review which consists of three administrative review teams responsible for analyzing management policies and procedures and performance of county welfare departments. A team consists of three social workers and an administrative analyst.

Area offices are now divided into the following sections: Aged and Handicapped, Family and Children, Direct Operations, Medical Care and Administrative Services, plus an area deputy and related staff.

The departmental reorganization in the area offices and also in headquarters which was outlined in the 1962-63 Analysis of the Budget Bill has not been fully implemented in the area offices mainly due to the fact that the Personnel Board has not yet agreed to the reclassification and upgrading of professional social workers positions as requested by the State Department of Social Welfare.

Aside from the direct operations portion of the area office functions, which include licensing of day nurseries and institutions for the aged and children, and intercounty and independent adoption services, the benefit of area office medical care, family and children and aged and handicapped bureaus remains vague. Generally speaking they are to help counties, especially smaller counties, interpret and understand rules and regulations which constitute policy which have been passed by the State Social Welfare Board. They are, theoretically, the connecting link between the policymakers—program development branch in Sacramento—and the counties. Area office program staff are not intimately involved in policy decision making although their opinions may be sought from time to time. The degree of varying workloads carried by individual social workers in these bureaus makes it difficult to pinpoint in any collective manner the significance of the work performed. Much of the activity of these positions is the result of self-generated

**Department of Social Welfare—Continued**

ideas and procedures which may not be consistent with departmental policies.

The development of policy, relating to the discovery and testing of services designed to help recipients improve themselves, has become an important part of the department's workload since the passage of H.R. 10606 (federal social security amendments). Additional work generated by this increase in emphasis on services, if deemed to be more important to the department than the current functions performed by several of the personnel in the area offices, could provide the Department of Social Welfare with a resource of trained people and positions to develop services without having to ask for new positions. Even if it means the physical transferring of people and positions from area offices to Sacramento, the skill, training and experience of social workers in area offices should be utilized to their fullest extent.

**Management Services**

There are a total of 268.6 authorized positions in management services in the current year. This branch of the department performs house-keeping functions, statistical research and fiscal auditing of county welfare operations. It includes a fiscal office, management analysis, personnel bureau, research and statistics and training. Since programs include funds from the federal government as well as the state and county governments, complex accounting procedures are needed to keep track of the funds from the different levels of government and also regular statistical reports are required by the federal government in addition to reports formulated by the State for its own use. The training bureau has probably grown faster than any other bureau in recent years and is now providing not only inservice training to employees of the department itself, but also training for beginning county social workers. This service to county welfare departments has been well received and the demand for such services is increasing. In recognition of the need for such services and to stimulate their further development, the federal government will now, under H.R. 10606, reimburse the State for 75 percent of the administrative costs connected with training of social workers.

**Program Development**

There are 116.2 authorized positions in this organizational unit. It is headed by a deputy director and consists of five divisions as follows:

(1) Aged and Disabled Division. This division is composed of professional social workers who prepare rules and regulations resulting in administrative changes in the Old Age Security and Aid to Needy Disabled programs and the licensing of boarding homes and institutions for aged persons. For example, these are the people that determine how grant increases are to be passed on to recipients.

A direct service is also provided by this division. The disability factor of the Aid to Needy Disabled requirement must be determined by the State. Fifteen medical social work consultants and an equivalent of five full-time medical consultant positions combine to create teams

**Department of Social Welfare—Continued**

which determine eligibility based on a review of medical and social reports received from counties. These teams are located in San Francisco and Los Angeles but report directly to headquarters in Sacramento.

(2) Blind Division. Because of Section 3076 of the Welfare and Institutions Code, the Department of Social Welfare has a separate division for blind programs which include Aid to Needy Blind, Aid to Potentially Self-Supporting Blind and prevention-of-blindness surgeries. Personnel in this division prepare rules and regulations for enactment by the board. They also determine who is eligible to receive eye surgery in order to prevent blindness or improve vision.

(3) Family and Children Division. Professional social workers in this division supervise adoption programs and the licensing of day nurseries and institutions for children which are administered by the area offices of the State Department of Social Welfare. This division also prepares rules and regulations governing county welfare departments in the administration of the Aid to Needy Children program and the licensing of boarding homes for children. Child welfare service programs are also developed.

(4) Medical Care Division. This division is responsible for the preparation of rules and regulations which govern the Medical Assistance for the Aged program and outpatient medical care benefits which are available to all public assistance recipients. Personnel in this division include professional social workers and medical, dental and pharmaceutical consultants.

(5) Planning and Methods Division. At the present time, this division is a catchall for work that does not readily fit into other program divisions. At least one position is working on case management programs for counties, another is in charge of reviewing and approving federal funds for child welfare projects, state and federal funds for administrative assistance for county welfare departments and projects for community services for older persons.

**General Comment on Future Welfare Services**

Current authorities in the field of social welfare are advocating a major redirection of effort in serving public assistance recipients. The desire is to not merely dole out funds for subsistence and medical care, but offer comprehensive services to cure or at least alleviate some of the social ills that accompany financial dependency. The theory is that financial dependency is caused by, results from, or at least is closely related to unhealthy social characteristics. Examples of such social characteristics are illiteracy, school dropout, lack of motivation, depression, juvenile delinquency, illegitimacy, etc. It is believed that public assistance recipients can become self-sufficient if some of these social problems can be alleviated.

The concept of financial independence for public assistance recipients has received strong support for the fiscal as well as the sociological benefits that could result. Although there is widespread support for the concept, there is little evidence that the intensification of social

**Department of Social Welfare—Continued**

services will justify a major redirection of welfare services. Rather, it might be more precise to say that increased social services will become an extension of public assistance programs to a degree which has not yet been determined.

Basic questions must be answered before a general reduction or extension of services is attempted on a large scale. First, how many recipients are potentially capable of self-support? Out of 683,000 persons who will be dependent upon public assistance for support in 1963-64:

|     |   |
|-----|---|
| OAS | 264,200—will be aged (with an average age over 75)  |
| ANB | 12,300—will be blind                                |
| ATD | 38,200—will be totally and permanently disabled     |
| ANC | 369,200—will be children under 18 and their mothers |

Total 683,900

The greatest potential probably is with mothers receiving aid to needy children. Some counties have been attempting to analyze cases, identify problems and plan methods of alleviating ANC family problems but little has been documented which evaluates the extent to which public assistance workers are successful in curbing social ills and reducing financial dependency.

Other questions relate to the limited skills of public assistance workers. Currently, most of the approximately 3,000 or so county public assistance workers have college degrees, but only a very few of them have had enough training to be seriously regarded as professional social workers.

Assuming that some degree of training will enable public assistance workers to become professionally skilled in their field, how much training do they need and where are they to receive such training? Graduate schools of social work are limited in the number of students they can accommodate. Other California colleges have resisted establishing graduate schools of social work because of higher priorities in other fields. The Department of Social Welfare is offering induction training to new public assistance workers but this is nothing more than a general orientation to the field.

A continuing consideration should be given to the concept of helping recipients to help themselves. The approach to developing the means by which people at the poverty level of our society can improve themselves is worthy of extensive experimentation. But a reasonable level of service and some evidence of what results to expect should be defined and demonstrated before major attempts are made to change the role of the public assistance worker.

**ANALYSIS**

The 1963-64 state operations budget request for the State Department of Social Welfare for support totals \$7,332,536 including both state and federal funds. This reflects an increase of \$500,272, or 7.3 percent, over the \$6,832,264 estimated to be expended in the current year. Actual expenditures for 1961-62 totaled \$6,484,171. No funds are provided for a share of the Health and Welfare Agency Admin-

## Department of Social Welfare—Continued

istrator in the 1963-64 budget of the Department of Social Welfare because, for the first time, a separate budget item is proposed for the Health and Welfare Agency Administrator. There is no budget proposed for the Welfare Study Commission for it is scheduled to dissolve at the conclusion of the 1963 General Session.

## Personal Services

The format of the budget for the Department of Social Welfare differs this year as compared to past years in that justification for proposed new positions has been presented more in a sequence relating to job function as opposed to organizational structure of the department. There were a total of 766 authorized positions in the current year. Of this total, 22.5 were administratively established during the current year. The Department of Public Health transferred 11 positions to the Department of Social Welfare to work with the Medical Assistance for the Aged program to audit facilities. In addition, 4.5 positions were established during the current year to work on drug investigations, 4 positions in the training bureau and 3 positions to work on public assistance appeals.

State Department of Social Welfare Proposed New Positions  
1963-64

| <i>Positions</i>                             | <i>Total<br/>cost</i> | <i>Work-<br/>load</i> | <i>New<br/>services</i> | <i>Approve</i>     | <i>Delete</i> |
|--|-----------------------|-----------------------|-------------------------|--------------------|---------------|
| Direct operations                            |                       |                       |                         |                    |               |
| Adoptions                                    |                       |                       |                         |                    |               |
| 1 Social service specialist II               | \$9,036               | \$9,036               |                         | \$9,036            |               |
| 1 child welfare specialist---                | 6,744                 | 6,744                 |                         |                    | \$6,744       |
| 1 Intermediate stenographer                  | 4,344                 | 4,344                 |                         |                    | 4,344         |
| Licensing                                    |                       |                       |                         |                    |               |
| 1 Social service specialist II               | 9,036                 | 9,036                 |                         |                    | 9,036         |
| 3 Child welfare specialist II                | 22,284                | 22,284                |                         | 7,428              | 14,856        |
| 3 Child welfare specialist I--               | 20,232                | 20,232                |                         | 6,744 <sup>1</sup> | 13,488        |
| 4 Intermediate stenographer                  | 17,376                | 17,376                |                         | 2,172 <sup>2</sup> | 15,204        |
| Licensing (yardstick completion)             |                       |                       |                         |                    |               |
| 3.5 Child welfare specialist II              | 25,998                |                       | \$25,998                |                    | 25,998        |
| 4 Child welfare specialist I--               | 26,976                |                       | 26,976                  |                    | 26,976        |
| Disability review                            |                       |                       |                         |                    |               |
| 0.3 Temporary help—medical consultants ----- | 5,641                 | 5,641                 |                         |                    | 5,641         |
| 1 Medical social work consultant I -----     | 7,428                 | 7,428                 |                         |                    | 7,428         |
| 1 Intermediate stenographer                  | 4,344                 | 4,344                 |                         |                    | 4,344         |
| Management support                           |                       |                       |                         |                    |               |
| Central services                             |                       |                       |                         |                    |               |
| 1 Assistant personnel analyst -----          | 7,080                 | 7,080                 |                         | 7,080              |               |
| 10 Intermediate stenographer                 | 44,520                | 44,520                |                         | 44,520             |               |
| Emergency welfare services                   |                       |                       |                         |                    |               |
| 1 Training officer II -----                  | 10,440                |                       | 10,440                  |                    | 10,440        |
| 3 Emergency welfare liaison officer -----    | 25,812                |                       | 25,812                  |                    | 25,812        |
| Training                                     |                       |                       |                         |                    |               |
| 3 Training consultants—SDSW -----            | 26,460                |                       | 26,460                  | 17,640             | 8,820         |
| 1 Senior stenographer -----                  | 5,091                 |                       | 5,091                   | 5,091              |               |

<sup>1</sup> Two positions for one-half year not to be filled prior to January 1, 1964.

<sup>2</sup> One position not to be filled prior to January 1, 1964.



## Item 173

## Social Welfare

## Department of Social Welfare—Continued

State Department of Social Welfare Proposed New Positions  
1963-64—Continued

| Positions                                    | Total<br>cost | Work-<br>load | New<br>services | Approve   | Delete    |
|--|---------------|---------------|-----------------|-----------|-----------|
| Management Support—Continued                 |               |               |                 |           |           |
| Medical care                                 |               |               |                 |           |           |
| Fraud and abuse investigation                |               |               |                 |           |           |
| 2 General auditor III -----                  | 17,928        |               | 17,928          | 17,928    |           |
| 1 Tabulating machine<br>operator -----       | 4,731         |               | 4,731           | 4,731     |           |
| 1 Intermediate stenographer                  | 4,655         |               | 4,655           | 4,655     |           |
| 0.5 Temporary help -----                     | 5,000         |               | 5,000           | 5,000     |           |
| Public assistance appeals                    |               |               |                 |           |           |
| 1 Social service specialist<br>III -----     | 9,948         | 9,948         |                 |           | 9,948     |
| 1 Assistant counsel -----                    | 8,196         | 8,196         |                 | 8,196     |           |
| 1 Intermediate stenographer                  | 4,344         | 4,344         |                 | 4,344     |           |
| Standardization and direction<br>of services |               |               |                 |           |           |
| Funding and reporting                        |               |               |                 |           |           |
| 2 Governmental auditor II                    | 14,160        |               | 14,160          | 14,160    |           |
| 3 Assistant research<br>technician -----     | 21,240        |               | 21,240          | 21,240    |           |
| 1 Accounting technician II                   | 4,788         |               | 4,788           | 4,788     |           |
| 1 Tabulating machine<br>operator -----       | 4,560         |               | 4,560           | 4,560     |           |
| 1 Key punch operator -----                   | 4,140         |               | 4,140           | 4,140     |           |
| 4 Intermediate account<br>clerk -----        | 16,560        |               | 16,560          | 16,560    |           |
| Planning and consultation                    |               |               |                 |           |           |
| 1 Social welfare specialist                  | 12,696        |               | 12,696          |           | 12,696    |
| 1 Social service specialist II               | 9,036         |               | 9,036           | 9,036     |           |
| 64.3 Totals -----                            | \$420,824     | \$180,553     | \$240,271       | \$219,049 | \$201,775 |

## Direct Services

## Adoptions

|  |         |
|--|---------|
| 1 Social service specialist II (budget page 430, line 6) ----- | \$9,036 |
| 1 Child welfare specialist I (budget page 430, line 7) -----   | 6,744   |
| 1 Intermediate stenographer (budget page 430, line 8) -----    | 4,344   |

The social service position is being requested to extend the present adoption resource referral service to the whole State. At the present time, this service is working effectively in the Los Angeles area. An additional child welfare specialist I is requested on the basis that workload relating to independent adoptions is increasing.

We recommend approval of the social service specialist II position and the deletion of the child welfare specialist I and intermediate stenographer positions for a savings of \$11,088.

Approval is recommended for the social service specialist position because of the success Los Angeles has experienced in co-ordinating available children to be adopted from various adoption agencies with suitable homes for which agencies have not been able to find children. Thus, hard-to-place children have been placed on lists and made available to all adoption agencies. Meetings are held periodically with representation from most of the adoption agencies where attempts are made to match hard-to-place children with families for whom children

## Department of Social Welfare—Continued

have not been found. Approval of the requested position would enable the service to be developed for the rest of the State.

The child welfare specialist I position and accompanying intermediate stenographer is being deleted on the basis that there is no evidence of sufficient workload increase in independent adoptions to require an additional position. The number of petitions received by the State Department of Social Welfare actually decreased slightly in 1961-62 over 1960-61. Furthermore, the backlog of pending cases which totaled 1,033 on July 1, 1961, was reduced to 883 as of June 30, 1962.

A problem exists with child welfare specialist I positions working with independent adoptions, but it is not felt that the solution to the problem is additional positions. Recruiting problems are often acute and the turnover rate of independent adoption workers rather high due to promotions and/or retirement. The entering pay scale is comparable to counties which offer independent adoption services but the problem appears to be that the position requires extensive traveling and also that specifications of the Personnel Board require that supervisory experience be included as part of the experience of the applicant. Such a requirement is not consistent with the type of job performed. The independent adoption worker does not supervise other adoption workers because this is an entering level position. Such a requirement from the Personnel Board, however, precludes the hiring of persons who would otherwise be desirable. The State Department of Social Welfare should consider replacing the supervisory experience requirement in the job specifications with general casework experience of a specified period of time, perhaps two years. This should increase the labor market for the independent adoption worker and partially help in their recruiting problems.

## Licensing

|   |         |
|---|---------|
| 1 Child welfare specialist II (budget page 430, line 11)----- | \$7,428 |
| 3 Child welfare specialist I (budget page 430, line 12)-----  | 20,232  |
| 2 Intermediate stenographer (budget page 430, line 13)-----   | 8,688   |

These positions are being requested to license day nurseries on the basis of workload increases.

*We recommend approval of two child welfare specialist I positions and one intermediate stenographer to be effective January 1, 1964. We recommend the deletion of one child welfare specialist I, one child welfare specialist II, one intermediate stenographer and one-half of the budgeted salaries for the two child welfare specialist II's and one intermediate stenographer which we are recommending for approval for a total savings of \$29,040.*

The Department of Social Welfare uses a yardstick to justify new positions for workload increases. The yardstick considers two estimated factors; (1) the number of licensed facilities and renewals pending at the beginning of a year, and (2) the number of new applications which will be received. For 1963-64, the department has estimated that there will be 1,310 licensed (and renewals pending) day nurseries on July 1, 1963, and that 280 applications will be received during 1963-64.

## Department of Social Welfare—Continued

We do not question the department's estimate for new applications but we do not believe that the number of licensed facilities (and renewals pending) will increase from 1,112 to 1,310 during the current year, especially since the number of licensed facilities (and renewals pending) increased only from 1,112 to 1,137 between July 1 and November 1, 1962. As is illustrated below, the normal rate of increase over the past several years has ranged between 3.3 and 5.9 percent. The department's estimate would necessitate a 17.8 percent increase in licensed facilities (and renewals pending) during the current year.

| Day Nurseries  |                        |                  |
|--|------------------------|------------------|
| Licensed Facilities and Renewals Pending Beginning of Year |                        |                  |
| Year   | Licensed day nurseries | Percent increase |
| 1958-59 -----  | 933                    | --               |
| 1959-60 -----  | 964                    | 3.3              |
| 1960-61 -----  | 1,006                  | 4.3              |
| 1961-62 -----  | 1,050                  | 4.4              |
| 1962-63 -----  | 1,112                  | 5.9              |
| 1963-64 (est.) -----                                       | (1,310)                | 17.8             |

The department had 27 authorized positions to license day nurseries in 1961-62. They were granted two more positions in 1962-63. As of January 1, 1963, the new positions had not been filled. Thus, the department has two new positions for workload increases that may develop during 1963. Because of the apparent over-estimation in workload related to licensed facilities for 1963-64, we are recommending the deletion of one child welfare specialist I, one child welfare specialist II and one intermediate stenographer. Since the two positions granted to the department for 1962-63 were not filled as of January 1, 1963, it is not likely that the department will need the two child welfare specialist I's for which we are recommending approval in 1963-64 until at least January 1, 1964. Therefore, we are also recommending a reduction in the amount of funds to finance these positions by one-half and on the basis that they should not be filled prior to January 1, 1964.

|  |         |
|--|---------|
| 1 Social service specialist II (budget page 430, line 10)----- | \$9,036 |
| 2 Child welfare specialist II (budget page 430, line 11)-----  | 14,856  |
| 2 Intermediate stenographer (budget page 430, line 13)-----    | 8,688   |

The social service specialist II is being requested as a supervisory position for institutional licensing. Two child welfare specialist II positions are being requested to license children's and aged institutions on the basis of workload increases. The requested clerical positions are to support these positions.

*We recommend the deletion of the social service specialist II, one child welfare specialist II and two intermediate stenographers for a saving of \$25,152.*

Essentially the same situation exists with these positions as was the case with the day nursery positions previously discussed. The department uses a yardstick which measures; (1) the estimated number of licensed facilities (and renewals pending) at the beginning of the year, and (2) the estimated number of new applications. For 1963-64 the

## Department of Social Welfare—Continued

department has estimated that there will be 430 licensed institutions (and renewals pending) for the aged and children. They further estimate that there will be 200 new applications. The following table illustrates that the number of licensed facilities (and renewals pending) will have to increase from 344 on July 1, 1962 to 430 on July 1, 1963, an increase of 25 percent. The normal year to year increase has ranged from 1.6 to 4.7 percent. Actual experience between July 1, 1962 and November 1, 1962 indicates that the number of licensed facilities (and renewals pending) have increased from 344 to only 350.

| Children and Aged Institutions                             |                       |         |
|--|-----------------------|---------|
| Licensed Facilities and Renewals Pending Beginning of Year |                       |         |
| Year   | Licensed institutions | Percent |
| 1958-59 -----  | 313                   | --      |
| 1959-60 -----  | 314                   | 0.0     |
| 1960-61 -----  | 319                   | 1.6     |
| 1961-62 -----  | 334                   | 4.7     |
| 1962-63 -----  | 344                   | 3.0     |
| 1963-64 (est.) -----                                       | (430)                 | 25.0    |

One position should be allowed for workload increases, which when added to the two child welfare specialist II positions provided by the Legislature in 1962-63 and not yet utilized by the department, will furnish a total of 24 positions for 1963-64.

3.5 Child welfare specialist II (budget page 430, line 15)----- \$25,998  
 4 Child welfare specialist I (budget page 430, line 16)----- 26,976

The department published a new yardstick for all licensing positions in 1962. The yardstick is composed of a time study plus a factor known to us only as "professional judgment" to increase the amount of time available for licensing day nurseries, children's institutions and institutions for aged persons. The new yardstick study was made after the Legislative Analyst observed in the 1961-62 Analysis of the Budget Bill that there was a significant variance between the amount of work performed by existing staff and staffing requirements indicated by a 1955 yardstick.

The new yardstick concludes that even more positions than indicated by the 1955 yardstick are needed because the 1955 yardstick does not provide the "required level of service."

*We recommend the deletion of 3.5 child welfare specialist II's and four child welfare specialist I's for a savings of \$52,975.*

The new yardstick report does not describe what the required level of service is. It only indicates how long, on an average basis, it should take to perform the required level of service. Subsequent meetings with departmental personnel failed to shed any light on the problem. Therefore, we visited the San Francisco area office to review the work that was being performed. We were quite impressed by the exceptional quality of the staff and the complexity of the licensing functions.

Our conclusions were that:

(1) It is not realistic to attempt to create a yardstick in the mathematically detailed manner employed by the department because of the extreme variances between facilities licensed.

## Department of Social Welfare—Continued

(2) We are not convinced that if more time is provided for licensing a facility that a better job will be done than is already being performed.

Until the department can describe what the required level of service is and why more positions are needed to achieve it, no new positions should be approved for this apparent increased level of services.

## Aid to Needy Disabled Disability Review

0.3 Temporary help—medical consultation (budget page 430, line 19) ----- \$5,641

1 Medical social work consultant I (budget page 430, line 20) 7,428

1 Intermediate stenographer (budget page 430, line 21) ----- 4,344

These positions are being requested on the basis of estimated workload increases to review applications for the Aid to Needy Disabled program to determine eligibility on the basis of disability.

We recommend the deletion of the medical social work consultant I, the temporary help—medical consultation and the intermediate stenographer for a savings of \$17,413.

The department estimates that over 46,000 cases will be reviewed. In order to justify such a figure, the rate of cases added to the caseload per month would have to increase considerably. The following table illustrates the rate of caseload increase for the calendar year 1962.

Aid to Needy Disabled  
Increased Number of Cases per Month, 1962

| 1962                 | Total caseload | Increase over prior month |
|----------------------|----------------|---------------------------|
| December, 1961 ----- | 16,105         | —                         |
| January -----        | 16,697         | 592                       |
| February -----       | 17,344         | 647                       |
| March -----          | 18,171         | 827                       |
| April -----          | 19,439         | 1,268                     |
| May -----            | 20,646         | 1,207                     |
| June -----           | 21,813         | 1,167                     |
| July -----           | 22,776         | 963                       |
| August -----         | 23,695         | 919                       |
| September -----      | 24,527         | 832                       |
| October -----        | 25,330         | 803                       |
| November -----       | 25,975         | 645                       |

The definition of disability in the Aid to Needy Disabled program was liberalized by the Legislature during the 1961 Session and the new definition became effective January 1, 1962. Thus, the caseload increased abnormally for several months as reflected by the above table, the peak month to month increase being in April, 1962. Since April, the rate of increase per month in the total caseload has gradually decreased to a position which is more equivalent to the rate of caseload increase at the time the new legislation went into effect in January, 1962. During this peak workload period, the department had eight authorized medical social work consultant I positions with a comparable amount of funds available for medical consultation. In contemplation of this abnormal increase in caseload growth, the department asked for and received for 1962-63 five additional medical review teams including five medical social work consultant I's bringing the

## Department of Social Welfare—Continued

total to 13. As of November 30, 1962, three of these new positions have never been utilized. Therefore, the lack of utilization of these positions plus the evidence that the future workload for the medical care review teams is decreasing rather than increasing eliminates the need for any additional new positions for 1963-64.

The Department of Social Welfare has had a yardstick by which they have justified new positions for medical review teams. The department has not applied this yardstick in determining the number of positions to be requested for 1963-64. We assume that they have not used the yardstick for 1963-64 because experience has indicated that the actual number of filled positions have done more than 130 percent more work than the yardstick indicated in the five-month period between July 1 and November 30, 1962. The department plans to review this yardstick during the next fiscal year.

The procedure of disability reviews is in the process of being streamlined. In the past, review teams have been plagued with incomplete medical reports from physicians. A new method of obtaining uniform medical reports has been initiated and will facilitate faster service. Also, all during the peak period in the workload, vacancies existed in the number of authorized positions available to the staff so they have never had actual working experience with a full staff. Because of this, the service has been slow so far but it has not been due to a lack of enough authorized positions as much as a lack of a full staff and a smooth procedure.

## Emergency Welfare Services

|  |          |
|--|----------|
| 1 Training officer II (budget page 430, line 27)-----                            | \$10,440 |
| 3 Emergency welfare services liaison officer (budget page 430,<br>line 28) ----- | 25,812   |

This is a new service being offered by the Department of Social Welfare that has not been offered in the past. An emergency welfare officer was established during the year 1961-62 by the Department of Social Welfare. The position was assigned to report directly to the deputy director in charge of the area offices, and in the 1963-64 Budget has been upgraded to Chief, Emergency Welfare Services. Correspondingly, the salary range increased from \$745-\$905 to \$960-\$1,166.

We recommend the deletion of four emergency welfare services proposed positions for a savings of \$36,252.

No justification has been submitted with the request for these positions to indicate what each position will be doing, why a training officer is needed and why three rather than some other number of emergency welfare services liaison officers are being requested. In the interest of economy, these positions should be deleted at least until a firm proposal for their use is prepared.

## Training

|   |          |
|---|----------|
| 3 Training consultant (budget page 430, line 31)----- | \$26,460 |
| 1 Senior stenographer (budget page 430, line 32)----- | 5,091    |

These positions are being requested to manage the scholarship program for county social workers, to develop more training projects to

## Department of Social Welfare—Continued

be financed by child welfare funds, and more inservice training including educational leave stipends for employees of the Department of Social Welfare.

*We recommend the deletion of one training consultant for a savings of \$8,820.*

Two of these training consultants were established during the current year to plan expanded training programs which would be ready by the 1963 school year. The functions for which these positions are being requested on a permanent basis, include the management of a scholarship program and the planning and co-ordination of child welfare training plans. These functions were formerly performed on a part-time basis by existing positions in the Family and Services Division of the Program Development Branch. Although the functions were transferred to the Training Bureau, the position which had formerly been performing this workload remained with the Family and Services Bureau. Although additional funds have been made available for scholarship and child welfare training projects, it is not felt that full-time positions are justified yet for each of these functions, since less than a year ago these functions were being performed on a part-time basis by other staff in the department, as a byproduct of normal duties. Therefore, we recommend that one position be approved to manage the scholarship program and work with the expansion of child welfare services projects as they relate to training. The other training consultant should be approved to expand inservice training in the Department of Social Welfare and manage educational leave stipends for departmental employees. In addition, the stenographer position will be needed to support the two new training consultants.

1 Social welfare specialist (budget page 430, line 52)----- \$12,696

1 Social services specialist II (budget page 430, line 53)----- 9,036

The social service specialist II is being requested to develop a day-care program for children, consistent with a new federal program, to enable mothers to work who might otherwise be entirely dependent on welfare.

The reason for requesting the other position is unclear. The budget states that this position is needed to act as a focal point to co-ordinate departmental activities in relation to the development of service under recent amendments to the Social Security Act.

*We recommend the approval of the social services specialist II and the deletion of the social welfare specialist for a savings of \$12,696.*

Approval is recommended for the position being requested to develop a day care program because this position is being requested to perform a specific function. The function for which it is being requested is to develop a service that will be of direct benefit to needy persons.

Such is not the case for the other position. The basis upon which it is being requested is vague. It would appear that the co-ordination of departmental activities would be a responsibility of a departmental executive, possibly one of the three deputy directors. If it is the intent of the department to delegate the co-ordination of these activities to

## Department of Social Welfare—Continued

the Planning and Methods Division, then the division chief position is available. This position was administratively established in August 1962 and has never been filled.

## Existing Authorized Positions

|  |          |
|--|----------|
| 3 Social service specialist II (budget page 429, line 49)----- | \$31,320 |
| 1 Temporary help (budget page 429, line 49)-----               | 12,000   |

These positions were requested and authorized in the 1962-63 Budget to perform general child welfare research.

*We recommend the deletion of three social service specialist IIs and one temporary help for a savings of \$43,320.*

The Department of Social Welfare did not appear to have a specific plan for using these positions thus, their deletion was recommended in the 1962-63 Analysis of the Budget Bill. It was commented that these positions did not appear to hold top priority with the department. As of January 15, 1962, no attempt has been made by the department to fill any of these positions. The deletion of these positions is again recommended until the department can present information indicating specifically when and how they are to be utilized.

## Administrative Review

|  |          |
|--|----------|
| 1 Division chief (budget page 429, line 49)-----                 | \$12,696 |
| 3 Public assistance specialist IV (budget page 429, line 49)---  | 34,560   |
| 7 Public assistance specialist III (budget page 429, line 49)--- | 73,080   |
| 3 Associate administrative analyst (budget page 429, line 49)    | 28,512   |
| 1 Public assistance specialist II (budget page 429, line 49)---  | 9,480    |
| 1 Senior stenographer (budget page 429, line 49)-----            | 5,028    |
| 1 Intermediate typist-clerk (budget page 429, line 49)-----      | 5,280    |

These positions constitute an Administrative Review Division under the Community Welfare Services branch of the department. They are existing authorized positions. Each team consists of a supervisor, two social workers, and an administrative analyst. Procedures followed by these teams would include completely analyzing and reviewing all functions and administrative processes in county welfare departments on a periodic basis. The purpose of doing this is to verify that state policy was being carried out and fulfill the federal requirement that welfare in California is to be administered uniformly.

*We recommend that all positions in this division be approved for 1963-64 as temporary positions for one year only.*

The necessity or desirability of administrative review in this form cannot be evaluated at this time because the program has never been fully implemented. It is not known whether it will fulfill federal requirements or satisfy the department that its policies are being uniformly administered. The two-year delay in implementing this program, a program designed to improve county management, is, in itself, inefficient.

Poor budgeting was involved in the financing of the new Administrative Review Division. Several years ago, the federal requirement of verifying the uniform administration of welfare in California was accomplished by a case by case audit which was conducted by personnel



## Department of Social Welfare—Continued

who were stationed in area offices. This method of review soon lost popularity in administrative circles and gave way to concepts of a more complete type of analysis of the administration of county welfare departments not limited to the review of case records themselves. The concept of administrative review teams has been under consideration by social welfare personnel and the State Department of Social Welfare for several years and during this time, as the case-auditor type of positions became vacant in the area offices, these positions were frozen and held vacant in order to eventually finance these administrative review teams. An Administrative Review Division was finally set up in 1961 and positions have been gradually established from July 1, 1961 to November 1, 1962. Currently, there are enough authorized positions for three teams. A preferable method of budgeting would have been to abolish the old case review positions as they became vacant and then request administrative review teams as workload increases indicated that they would be utilized.

Although a total of 17 positions have been established as of January 1963, two of the three teams have not been hired and trained. The team that has been hired and trained conducted three administrative reviews, one in Merced County in June and July, Shasta County in August and September and Santa Barbara County in October. Summary evaluations containing recommendations which were to be presented to their respective county boards of supervisors are still being retained by the State Department of Social Welfare. It is apparently the intent of the department not to attempt to complete the other two teams for which positions have been established until May or June of 1963. Thus, a period of two years will have passed with little progress having been recorded during 1961-62 and 1962-63. We do not know exactly how long it has been since the department has had case review but we do know that it has been several years.

The Department of Social Welfare submits several reasons that have contributed to the slow development of this system of administrative review over the last two years.

1. Due to a departmental reorganization, the intended classification and upgrading of these positions are still pending decision from the Personnel Board.

2. The department desires to hire team supervisors with county welfare experience and has had some recruiting difficulties.

3. A federal crash program to review ANC cases has been delegated to personnel in the Administrative Review Division because this division performs functions more closely related to the federal review than any other division of the department. This review is a one-time review to study how much fraud exists in the ANC program.

Although the above reasons have had the effect of slowing down the implementation of administrative review, other alternatives were clearly available to the department which would have permitted at least the trained team to continue its operations in order to streamline review methods in preparation for the other two teams. For example,

## Department of Social Welfare—Continued

the department could have used the positions in the two vacant teams for the one-time short-term federal study.

Several implications emerge from a survey of departmental action during the past several years regarding the supervision of county administration via case review, administrative review or whatever other alternatives may be acceptable to the federal government to verify the uniform administration of welfare in California.

1. The federal government either does not consider review of county welfare departments as being a factor of considerable importance in verifying the uniform administration of county welfare departments, or it is lax in enforcing its rules.

2. The department does not place much priority itself on this type of function.

3. The department is apparently not satisfied with administrative review as it was applied in the three counties reviewed in 1962.

4. Federal requirements relating to the increased emphasis of services to welfare recipients will necessitate a redirection of emphasis in administrative review which will require additional planning.

If more planning and experimentation is felt to be needed by the department, then the two vacant teams budgeted for approximately \$84,000 should be deleted during 1963-64 and resubmitted as proposed new positions when the department is prepared to hire and train additional teams. The intent has been expressed by the department, however, that all teams will be filled and functioning during 1963-64. For this reason we are not recommending the deletion of two teams at this time, but do recommend that all positions in the Administrative Review Division be approved for one year only and that the value of the work performed by this division during 1963-64 be subject to careful evaluation in the budget process before approval is considered on a permanent basis.

Operating Expenses  
Electronic Data Processing

*Conversion to electronic data processing system (budget page*

430, line 77----- \$100,000

A feasibility study has been completed by the State Department of Social Welfare which justifies an electronic data-processing (EDP) installation. The study, which was conducted in 1962, identifies 35 processes which are economically and technically adaptable to EDP. These processes will be incorporated into 13 programs which will utilize slightly over 50 percent of the capacity of the proposed system. Savings will increase as the processes are programmed. It is estimated that the department will save approximately \$97,000 per year by the fiscal year 1965-66. This calculation is based on current costs of procedures which total \$446,376 minus the estimated cost to perform the same workload on EDP—\$349,763.

The \$100,000 requested in the 1963-64 Budget is to finance and establish a program and systems unit which will initially be charged with the responsibility of developing the programs and testing them on EDP.

## Department of Social Welfare—Continued

equipment time which can be rented from other state agencies, until the department has enough processes programmed to justify delivery of its own equipment. Departmental budget estimates are based on a delivery date of April 1964. The rental of this equipment would be approximately \$20,625. Related equipment would cost approximately \$19,000 and should be purchased prior to delivery of the EDP installation.

*We recommend the deletion of the EDP rental allowance for a savings of \$20,625.*

The department apparently will not be adequately prepared to actually receive the EDP system prior to the 1964-65 budget year. Thus, there is no need to include rental costs for a portion of 1963-64.

*Traveling—in-state (budget page 430, line 72)----- \$258,725*

The 1963-64 Budget request for in-state travel represents a 24 percent increase over actual expenditures in 1961-62.

*We recommend that traveling, in-state be reduced to \$243,725 for a savings of \$15,000.*

This item has been overestimated in recent budgets. The following table illustrates that proposed expenditures for traveling, in-state since 1958-59 have ranged from 14 to 25 percent higher than actual expenditures.

| Year          | Proposed  | Actual    | Overestimate |         |
|---------------|-----------|-----------|--------------|---------|
|               |           |           | Amount       | Percent |
| 1958-59 ----- | \$199,330 | \$159,390 | \$39,940     | 25      |
| 1959-60 ----- | \$202,639 | \$176,210 | \$26,429     | 15      |
| 1960-61 ----- | \$239,695 | \$195,084 | \$44,611     | 23      |
| 1961-62 ----- | \$236,763 | \$208,495 | \$28,268     | 14      |

The 1963-64 Budget proposes a \$50,230 increase from actual expenditures in 1961-62 (\$258,725—\$208,495), which is a far greater increase than has been experienced in the past over a two-year period. Our recommended reduction of \$15,000 is an arbitrary amount and decreases the proposed budget by approximately 6 percent. Such a reduction would still provide a \$16,240 (7 percent) increase over the \$227,485 estimated to be expended during the current year which should provide enough for new positions and price increases.

It is interesting to note that we recommended in 1961-62 that in-state travel be reduced to \$208,438. Our recommendation was only partially accepted but the original recommendation turned out to be within \$100 of actual expenditures.

*Rent—building space (budget page 430, line 74)----- \$550,860*

The amount requested for rent exceeds the \$389,170 spent in 1961-62 by \$161,690, which reflects a 42-percent increase. Departmental staff has increased, including proposed new positions for 1963-64 approximately 14 percent.

*We recommend that rent—building space be reduced to \$502,560 for a savings of \$48,300.*

Most of the rent increase is due to the moving of headquarters personnel from the Employment Building to sections of the new and old

Department of Social Welfare—Continued

Department of Motor Vehicles buildings. This move will increase the rent from 29 cents to approximately 33 cents per square foot per month.

The amount of our recommendation allows more space than would ordinarily be permitted under average standards set by the Department of Finance. Consideration was given for departmental growth and space planning problems faced by the department.

The Department of Motor Vehicle's new building is a loft-type structure and thus more than ordinarily flexible in planning for space utilization for bullpen areas. Conversely, the department is being forced to plan private offices around existing air-conditioning ducts, light fixtures and windows.

The department's request for 87,263 square feet of space (which includes expansion) to house approximately 475 positions is excessive for the following reasons:

1. It is much higher than Department of Finance standards.

Finance Standards:

Average area for complete agencies—60 to 140 square feet per person—Net area.

Social Welfare Proposal:

87,263 square feet for approximately 475 employees or 184 sq. ft. per person—Net area.

Legislative Analyst recommendation would provide:

75,000 square feet for approximately 475 employees or 158 sq. ft. per person—Net area.

2. It is substantially more space than is being utilized in the new state building in Los Angeles for an area office of the Department of Social Welfare.

Los Angeles Area Office—Department of Social Welfare

State Building No. 2—approximately 155 positions and 23,557 sq. ft. of space or, 152 sq. ft.—Net Area per person. Space includes expansion factors.

3. It is much more space per employee than is currently being utilized by social welfare personnel in Sacramento.

Current office space is rented in the:

|                                |                |
|--------------------------------|----------------|
| Employment Building.....       | 56,918 sq. ft. |
| California Fruit Building..... | 9,275 sq. ft.  |

|                          |                |
|--------------------------|----------------|
| Total present space..... | 66,193 sq. ft. |
|--------------------------|----------------|

66,193 sq. ft. for approximately 418 positions = 158 sq. ft.

4. It is higher than the Department of Social Welfare's own standards for space utilization in planning county welfare offices as published by their Bureau of Management Analysis Bulletin in June 1962.

Department of Social Welfare standards for planning county welfare departments—150 to 175 sq. ft. gross (if 30 percent for TARE is assumed, the range would be 105 to 123 sq. ft.—net area).

The department's plan for space utilization is especially rich in the number and amount of space provided for private offices. Bullpen areas

## Department of Social Welfare—Continued

provide for an unreasonable amount of growth for the department expects to be located in the space for only three or four years. Central file, tab equipment and publication areas are also generously larger than their present facilities. Following is a list of selected comparisons between office sizes proposed by the department and Department of Finance standards.

| Proposed Office Space and State Standards<br>Selected Comparisons |  |                               |                           |  |
|---|--|-------------------------------|---------------------------|--|
| Room No.  | Type of position                             | Estimated office size sq. ft. | Finance standards sq. ft. | Remarks  |
| 575-A   | Director -----                               | 700                           | 350 ±                     |  |
| 572   | Director's staff room --                     | 330                           | —                         |  |
| 573   | Chief deputy director--                      | 500                           | 300 ±                     |  |
| 581   | Deputy director, program development---      | 400                           | 300 ±                     | 3 deputy directors, space range 380 to 450.                    |
|   | Division Chiefs:                             |                               |                           | 9 divisions.   |
| 587   | Aged and Disabled Division -----             | 400                           | 300 ±                     | 40 authorized positions in this division.                      |
| 583   | Family and Children's Division -----         | 350                           | 300 ±                     | 38 authorized positions in this division.                      |
| 517   | Blind Division-----                          | 350                           | 300 ±                     | 9.6 authorized positions in this division.                     |
| 551   | Administrative Review                        | 280                           | 300 ±                     | 17 authorized positions in this division.                      |
|   | Bureau Chiefs:                               |                               |                           | 17 bureaus.  |
| 582-A   | Old Age security-----                        | 250                           | 200 ±                     | 7 authorized positions in the bureau.                          |
| 582-D   | Family services-----                         | 250                           | 200 ±                     | 14 authorized positions in the bureau.                         |
| 537-A   | Management analysis--                        | 275                           | 200 ±                     | 8 authorized positions in the bureau.                          |
|   | Professional staff                           |                               |                           |  |
| 501   | Licensing staff-----                         | 590                           | 480 ±                     | 6 positions—standard is 80 ea. for 3 to 6 positions.           |
| 527   | Medical standards-----                       | 900                           | 560 ±                     | 7 positions—standard is 80 ea. for 3 to 6 positions.           |
| 500   | Old Age security-----                        | 850                           | 480 ±                     | 8 positions—standard is 60 ea. for 7 to 21 positions.          |
| 597   | Administrative Review team -----             | 300                           | 280 ±                     | 4 positions—standard is 70 ea. for 3 to 6 positions.           |
|   | Clerical staff                               |                               |                           |  |
| 575   | Executive reception ---                      | 525                           | 300 ±                     | 2 secretaries—one for director, one for chief deputy director. |
|   | Stenographers for executives                 |                               |                           |  |
| 569   | Deputy director and administrative advisor-- | 350                           | 300 ±                     | 2 secretaries.   |
| 596   | Clerical pool -----                          | 2,200                         | 1,500 ±                   | 30 typists—standard 50 ±                                       |
|   | Specialists                                  |                               |                           |  |
| 567   | Attorney -----                               | 400                           | 200 to 350                |  |
| 525   | Consultant -----                             | 300                           | 90 to 150                 |  |
| 539   | Hearing officer-----                         | 300                           | 150 to 200                | Hearing room would be additional.                              |
|   | Fiscal services-----                         | 3,000                         | 1,980                     | 36 positions—standard 55 ±.                                    |

## Department of Social Welfare—Continued

The Department of Social Welfare proposed plan has been accepted by the Department of Finance and the moving date is scheduled for March 1963.

## CITIZENS' ADVISORY COMMITTEE ON AGING

ITEM 174 of the Budget Bill

Budget page 433

## FOR SUPPORT OF THE CITIZENS' ADVISORY COMMITTEE ON AGING, FROM THE GENERAL FUND

Amount requested \_\_\_\_\_ \$69,213  
 Estimated to be expended in 1962-63 fiscal year \_\_\_\_\_ 66,781

Increase (3.6 percent) \_\_\_\_\_ \$2,432

**TOTAL RECOMMENDED REDUCTION** \_\_\_\_\_ **\$3,000**

## Summary of Recommended Reductions

|                                   | Amount  | Budget<br>Page | Line |
|-----------------------------------|---------|----------------|------|
| Operating Expense                 |         |                |      |
| General expense                   | \$1,000 | 433            | 46   |
| Traveling—in-state—commission     | 500     | 433            | 49   |
| Traveling—out-of-state—commission | 700     | 433            | 50   |
| Traveling—out-of-state—staff      | 800     | 433            | 51   |

## GENERAL SUMMARY

The Citizens' Advisory Committee on Aging was established in 1956 with the addition of Chapter 4 of Division 3 of the Welfare and Institutions Code. It consists of eight members appointed by the Governor, two senators and two assemblymen appointed by their respective houses. The committee is supported by a staff of three professional and two clerical positions. Although the primary purpose of the committee is to advise the Governor on solutions to problems in the field of aging, related and additional functions include:

1. Holding hearings on the problems of the aging.
2. Consulting with communities to develop local services for the aged.
3. To act as an information center on all aspects of aging.
4. To co-operate with the Department of Social Welfare in reviewing requests from communities for project funds for local administration available under Item 426 of the budget for community services for older persons.

## ANALYSIS

## Personal Services

The Citizens' Advisory Committee on Aging requests \$44,555 for personal services for 1963-64. This represents an increase of \$2,852 over the \$41,703 estimated to be expended in the current year. This increase is mainly due to merit salary increases.

## Operating Expenses and Equipment

Operating expenses for 1963-64 are proposed at \$24,408, an increase of \$130 over the \$24,278 expected to be expended in the current year. A total of \$250 is being requested for equipment.