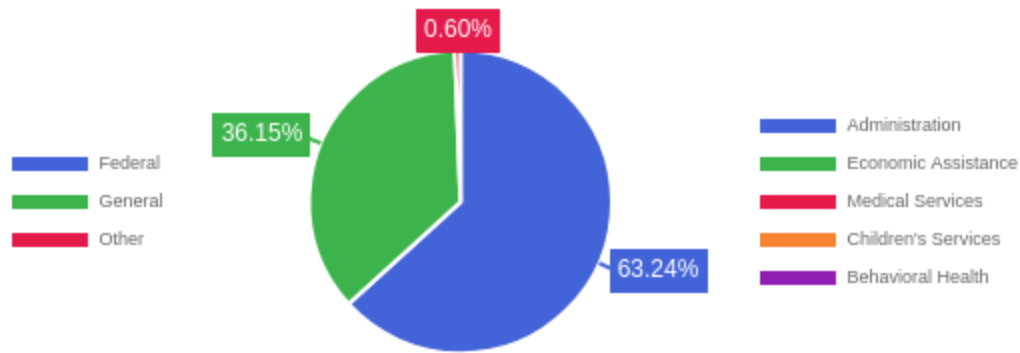


Department of Social Services

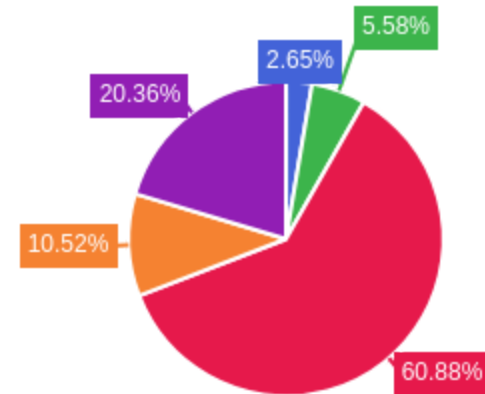
Fiscal Year 2027 Budget Brief Summary

Information contained in this document is based on the Governor's FY2027 Budget and may not correspond with the final budget adopted by the Legislature.

Source of Funds



Distribution of General Funds



Key Personnel

- Matt Althoff, Cabinet Secretary
- Steve Ramussen, Chief Financial Officer
- Emily Richardt, Communications and Administrative Services Administrator
- Heather Petermann, Division Director Medical Services
- Melanie Boetel, Division Director Behavioral Health
- Carrie Johnson, Division Director Economic Assistance
- Max Wetz, Division Director Child Support Services
- Brenda Tidball-Zeltinger, Deputy Secretary
- Jeremy Lippert, Division Director Legal Services
- Tiffany Wolfgang, Chief of Children and Family Services
- Brenna Koedam, Chief of Behavioral Health
- Jeremy Johnson, Administrator of Human Services Center
- Pamela Bennett, Division Director Child Protection Services

Mission of the Department of Social Services

The Department of Social Services (DSS) strives to strengthen and support individuals and families by promoting cost effective and comprehensive services while connecting with partners to foster health, wellbeing, and independence.

Department of Social Services Budget Units

- Administration (081)
- Economic Assistance (082)
- Medical Services (083)
- Children's Services (084)
- Behavioral Health (085)
- Board of Counselor Examiners - Info (0891)
- Board of Psychology Examiners- Info (0892)
- Board of Social Work Examiners - Info (0893)
- Board of Addiction & Prevent Prof - Info (0894)

Major Items Summary - Department of Social Services

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$656,490,525	\$1,183,205,083	\$11,217,424	\$1,850,913,032	1,551.5	\$656,490,525	\$1,183,205,083	\$11,217,424	\$1,850,913,032	1,551.5
1. Supplemental Nutrition Assistance Program Administration Authority Transfer	\$5,500,000	(\$5,500,000)	\$0	\$0	0.0	\$5,500,000	(\$5,500,000)	\$0	\$0	0.0
2. Supplemental Nutrition Assistance Program Nutrition Education	\$0	\$0	\$0	\$0	0.0	\$0	(\$711,043)	\$0	(\$711,043)	0.0
3. Medicaid Eligibility Staff Funding Adjustment	(\$2,500,000)	\$2,500,000	\$0	\$0	0.0	(\$2,500,000)	\$2,500,000	\$0	\$0	0.0
4. Food Contract Inflation	\$220,645	\$0	\$0	\$220,645	0.0	\$220,645	\$0	\$0	\$220,645	0.0
5. Utility Cost Adjustment	\$28,958	\$0	\$0	\$28,958	0.0	\$28,958	\$0	\$0	\$28,958	0.0
6. Mandatory Provider Inflation	\$13,778,315	\$17,034,955	\$0	\$30,813,270	0.0	\$14,072,438	\$17,118,717	\$0	\$31,191,155	0.0
7. Federal Medical Assistance Percentage Change	\$2,048,668	(\$2,048,668)	\$0	\$0	0.0	\$6,522,690	(\$6,522,690)	\$0	\$0	0.0
8. Technology Services Transfer	\$0	\$0	\$0	\$0	0.0	\$0	\$0	\$0	\$0	0.0
9. Kinship Licensure Transfer	\$0	\$0	\$0	\$0	0.0	\$0	\$0	\$0	\$0	0.0
10. One Stop Transfer	\$0	\$0	\$0	\$0	0.0	\$0	\$0	\$0	\$0	0.0
11. Board of Addiction & Prevention Professionals Operations	\$0	\$0	\$7,000	\$7,000	0.0	\$0	\$0	\$7,000	\$7,000	0.0
12. Board of Counselor Examiners Operations	\$0	\$0	\$72,987	\$72,987	0.0	\$0	\$0	\$72,987	\$72,987	0.0
13. Board of Social Work Examiners Operations	\$0	\$0	\$10,000	\$10,000	0.0	\$0	\$0	\$10,000	\$10,000	0.0
14. Rural Health Transformation Grant	\$0	\$100,000,000	\$0	\$100,000,000	0.0	\$0	\$0	\$0	\$0	0.0
15. Medicaid Enrollees and Utilization	\$17,499,099	\$18,403,853	\$0	\$35,902,952	0.0	\$0	\$0	\$0	\$0	0.0
16. Medicaid Expansion Enrollees and Utilization	\$2,295,923	\$20,663,318	\$0	\$22,959,241	0.0	\$0	\$0	\$0	\$0	0.0
17. Discretionary Provider Inflation	\$11,433,658	\$19,317,230	\$0	\$30,750,888	0.0	\$0	\$0	\$0	\$0	0.0

18. Subsidized Adoptions	\$704,501	\$603,376	\$0	\$1,307,877	0.0	\$0	\$0	\$0	\$0	0.0
19. Child Support Software and Maintenance	\$82,424	\$160,002	\$0	\$242,426	0.0	\$0	\$0	\$0	\$0	0.0
20. BEES System and Operations Expansion	\$365,000	\$885,000	\$0	\$1,250,000	0.0	\$0	\$0	\$0	\$0	0.0
21. Family Service Specialists	\$395,805	\$69,848	\$0	\$465,653	6.0	\$0	\$0	\$0	\$0	0.0
22. Employment Verification Contract	\$550,000	\$900,000	\$0	\$1,450,000	0.0	\$0	\$0	\$0	\$0	0.0
23. Human Services Center Transfer	\$0	(\$3,507,465)	\$16,899,240	\$13,391,775	0.0	\$0	\$0	\$0	\$0	0.0
24. Drug Rebates	\$32,160,174	\$64,110,595	\$0	\$96,270,769	0.0	\$0	\$0	\$0	\$0	0.0
FY 2027 Total Budget	\$741,053,695	\$1,416,797,127	\$28,206,651	\$2,186,057,473	1,557.5	\$680,335,256	\$1,190,090,067	\$11,307,411	\$1,881,732,734	1,551.5
Change from Base Budget	\$84,563,170	\$233,592,044	\$16,989,227	\$335,144,441	6.0	\$23,844,731	\$6,884,984	\$89,987	\$30,819,702	0.0
% Change from Base Budget	12.9%	19.7%	151.5%	18.1%	0.4%	3.6%	0.6%	0.8%	1.7%	0.0%

1. Supplemental Nutrition Assistance Program Administration Authority Transfer

	General	Federal	Other	Total	FTE
Agency Request	\$5,500,000	(\$5,500,000)	\$0	\$0	0.00
Governor's Recommendation	\$5,500,000	(\$5,500,000)	\$0	\$0	0.00

The agency requests an increase of **\$5,500,000** in **general funds** and a decrease of **(\$5,500,000)** in **federal funds** for the shift in Supplemental Nutrition Assistance Program administration cost.

The Supplemental Nutrition Assistance Program (SNAP) is a program to provide money for low-income families to purchase food. The money used by the families is provided directly by the federal government, and the administrative cost is shared by the federal government and the state government.

During the 2025 congressional session, Congress passed HR.1, commonly known as the "One Big Beautiful Bill Act" (OBBA). Before the bill was passed, the administrative cost was split by 75% federal government and 25% state government. This was changed in Section 10106 of the bill to 50% federal government and 50% state government.

Operationally, the administration of the SNAP program by DSS remains unchanged by OBBA.

Section 10105 does change how much the state would need to cover for the SNAP benefits provided in South Dakota based on the error rate. However, the error rate is low enough for the federal government to cover 100% of the benefits for the SNAP program.

The governor recommends this request.

2. Supplemental Nutrition Assistance Program Nutrition Education

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$0	\$0	0.00
Governor's Recommendation	\$0	(\$711,043)	\$0	(\$711,043)	0.00

The governor recommends a decrease of **(\$711,043)** in **federal funds** to eliminate the SNAP education program.

As part of SNAP, there was a program called the SNAP Nutrition Education and Obesity Prevention Grant Program (SNAP-ED). SNAP state and local agencies administer this federal grant program. SNAP-Ed uses evidence-based, public health projects and interventions with the goal to implement a nutrition education and obesity prevention program for eligible individuals that promotes healthy food choices and physical activity consistent with the most recent Dietary Guidelines for Americans.

Section 10107 of the OBBB eliminated the federal grant and ended the program for all states nationwide.

3. Medicaid Eligibility Staff Funding Adjustment

	General	Federal	Other	Total	FTE
Agency Request	(\$2,500,000)	\$2,500,000	\$0	\$0	0.00
Governor's Recommendation	(\$2,500,000)	\$2,500,000	\$0	\$0	0.00

The agency requests a decrease of **(\$2,500,000)** in **general funds** and an increase of **\$2,500,000** in **federal funds** for the shift in the cost of administration of Benefit Eligibility and Enrollment System.

In June 2025, the Centers for Medicare & Medicaid Services (CMS) certified the Benefit Eligibility and Enrollment System (BEES) for use for Medicaid. This certification marks a significant milestone, confirming that the system meets all CMS requirements. These requirements are designed to demonstrate improved patient outcomes and challenge states to achieve key performance measures and critical success factors. Prior to certification, Economic Assistance BEES staff salaries were funded through a 50% General Fund and 50% Federal Fund match. With CMS certification, the funding structure shifted to a more favorable 25% General Fund and 75% Federal Fund match.

Operationally, nothing is changing with the shift as to how DSS uses BEES, and BEES will continue to operate as it normally did before the shift.

The governor recommends this request.

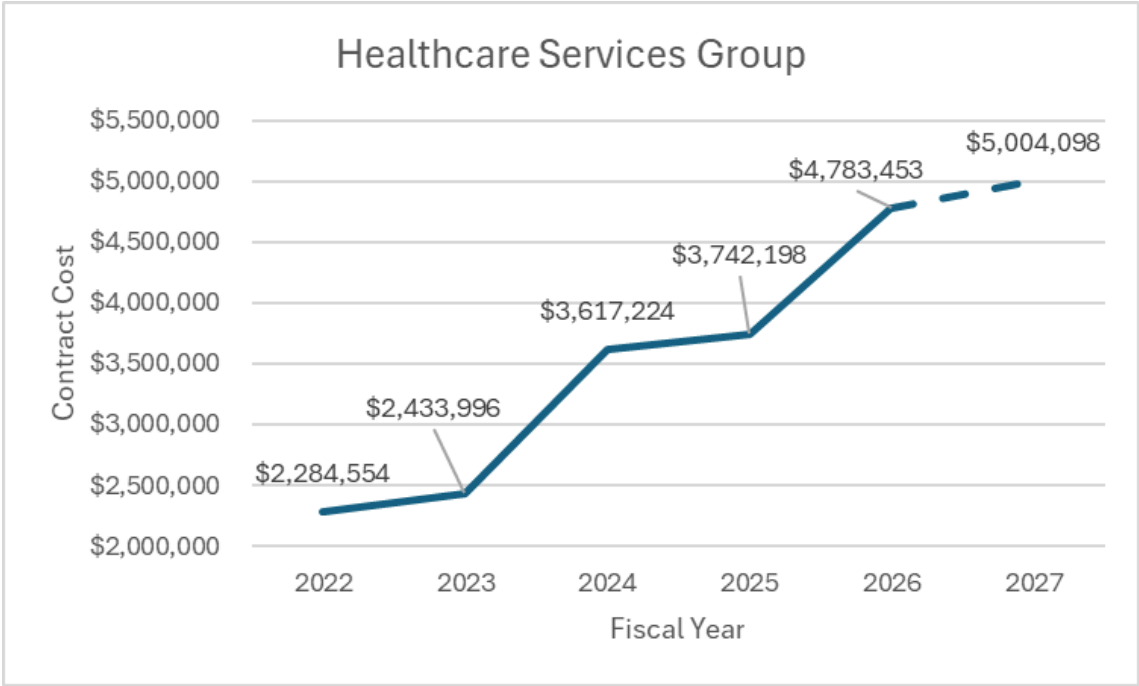
4. Food Contract Inflation

	General	Federal	Other	Total	FTE
Agency Request	\$220,645	\$0	\$0	\$220,645	0.00
Governor's Recommendation	\$220,645	\$0	\$0	\$220,645	0.00

The agency requests an increase of **\$220,645** in **general funds** for the inflation of the existing food contract at the Human Services Center.

DSS is responsible for the care and feeding of residents at the Human Services Center, and contracts with a provider to provide food at the Human Services Center.

Currently, the Healthcare Services group provides food services for the residents in the Human Services Center in Yankton. Currently, the rates for providing these services are somewhere between \$9.46 per meal and \$7.32 per meal depending on how many meals are being served. The contract for FY 2026 is \$4,783,453.



The governor recommends this request.

5. Utility Cost Adjustment

	General	Federal	Other	Total	FTE
Agency Request	\$28,958	\$0	\$0	\$28,958	0.00
Governor's Recommendation	\$28,958	\$0	\$0	\$28,958	0.00

The agency requests an increase of **\$28,958** in **general funds** for the utility cost adjustment at the Human Services Center.

The state uses EnergyCAP (also referred to as ENCAP), a software product, to track and analyze agencies' energy usage throughout the fiscal year.

The software provides suggested adjustments to agencies' operating budgets for energy costs. To calculate these suggested adjustments, agencies multiply their utilization by energy source from the most recent fiscal year (FY25 for the current adjustments) by the Statewide Energy Manager's projected future price rates for each energy source, which are based on data from utility suppliers and industry resources. Additionally, the Statewide Energy Manager provides projections on weather sensitivity for each energy source and adjustments for heating and cooling days.

Prior Year's Utilization	×	Projected Future Price	=	Requested Expenditure Authority Adjustment
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The resulting figures produced by EnergyCAP provide the basis for the requested adjustments to agencies' utilities budgets for the following fiscal year. Utility cost adjustments for the current fiscal year (which appear in the supplemental to the current year's General Appropriations Act) are calculated in the same way as adjustments for the next fiscal year, except that the percentage change in the cost rates is typically different.

This process is used for natural gas, propane, electricity, and fuel oil. Adjustments for sewer, garbage, and water are requested outside of this process and evaluated separately. The contracts for garbage and recycling collection are available on OpenSD.

This request is primarily for the Human Services Center in Yankton.

The governor recommends this request.

6. Mandatory Provider Inflation

	General	Federal	Other	Total	FTE
Agency Request	\$13,778,315	\$17,034,955	\$0	\$30,813,270	0.00
Governor's Recommendation	\$14,072,438	\$17,118,717	\$0	\$31,191,155	0.00

The agency requests an increase of **\$13,778,315** in **general funds** and an increase of **\$17,034,955** in **federal funds** for mandatory provider inflation.

Mandatory Provider Inflation is an inflationary increase where the percentage is determined by some agency outside of BFM. This is often a federal agency such as the Department of Health and Human Services which oversees the Medicare and Medicaid program.

The first part of this request is the increase for federally qualified health centers and rural health clinics. These are clinics that focus on the poor and rural areas of South Dakota. The increase is 3.5% from the previous years and the cost is split between the state and federal government at the standard FMAP rate.

The second part of this request is due to increases in drug prices. The Center of Medicare & Medicaid Services (CMS) requires that drug prices match the National Average Drug Acquisitions Cost (NADAC), and the drug prices on the NADAC have increased by 10.0%. NADAC is based on a survey of pharmacies to actually acquire drugs covered by Medicaid.

The third part is the Medicare crossover. The Medicare crossover is when someone is dual eligible for both Medicaid and Medicare. In this case, Medicare covers the portion of a person using medical services, and whatever is not covered by Medicare, Medicaid covers. The needed cost is determined by CMS, and the increase is 4.26% from FY 2025.

The fourth part is for the supplemental Medicare insurance the state pays into, also known as Medicare parts A, B, and D. Part A is to pay for hospital stays, in-home health care, and nursing homes. An inflation factor of 11.06% is being requested. Part B is to pay for durable medical equipment and outpatient care. An inflation factor of 14.58% is being requested. Part D is to help pay for prescription drugs. An inflation factor of 7.61% is being requested. Parts A and B are split between the general and federal funds at the standard FMAP rate while Part D is the general portion only.

The fifth part is the Balanced Budget Act Expanded Supplemental Medical Insurance. In 1997, Congress passed the Balanced Budget Act. As part of this act, states had to pay Medicare insurance premiums for additional individuals covered for Medicare Part B. As part of the law, the federal government also paid a part of this. The increase is solely the federal portion of the insurance premium. An inflation factor of 14.58% is being requested.

The requests in the governor’s recommendation are broken down below.

Request	General	Federal
Rural Health Clinic	\$202,411	\$207,910
Prescription Drugs	\$6,718,447	\$12,008,976
Medicare Crossover	\$833,959	\$856,613

Medicare Parts A+B+D	\$6,317,621	\$3,562,542
Expanded Supplemental Medical Insurance	\$-	\$482,676

*The governor recommends an increase of **\$14,072,438** in **general funds** and an increase of **\$17,118,717** in **federal funds**.*

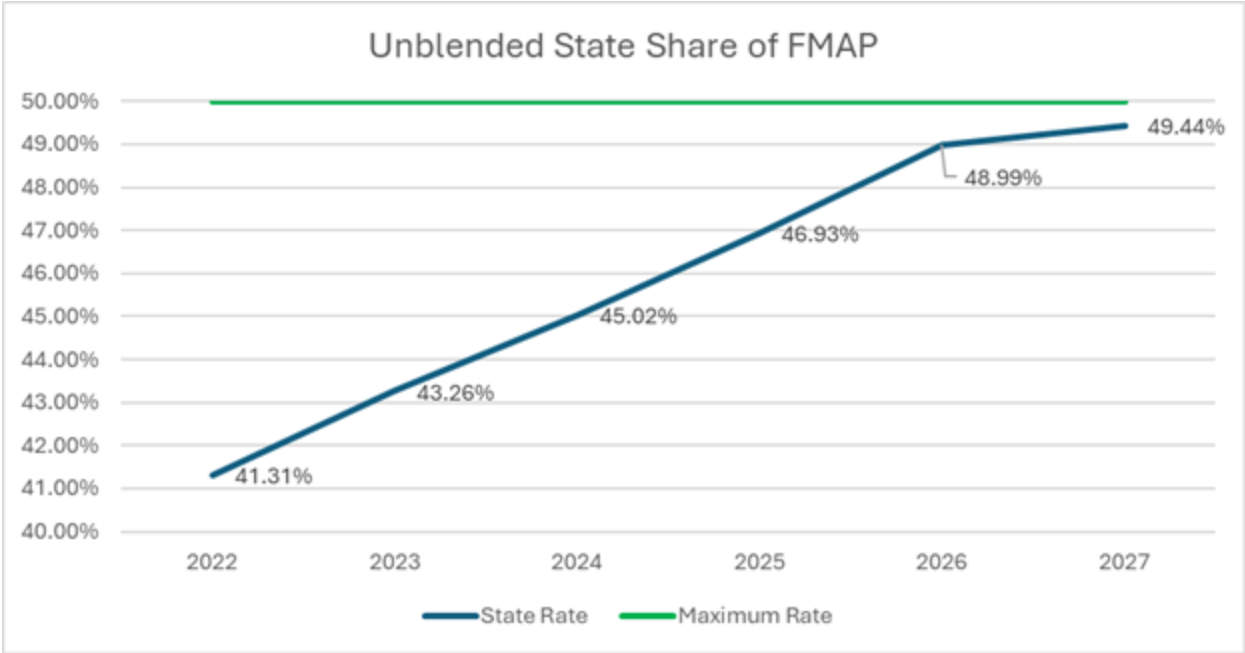
7. Federal Medical Assistance Percentage Change

	General	Federal	Other	Total	FTE
Agency Request	\$2,048,668	(\$2,048,668)	\$0	\$0	0.00
Governor's Recommendation	\$6,522,690	(\$6,522,690)	\$0	\$0	0.00

The agency requests an increase of **\$2,048,668** in **general funds** and a decrease of **(\$2,048,668)** in **federal funds** for the change in the FMAP rate.

South Dakota administers certain programs, such as Medicaid, Temporary Aid for Needy Families, and the Pierre Rural Family Medicine Residency Program. The cost of these programs is split between the state and the federal government at a rate called the Federal Medical Assistance Percentage or FMAP for short.

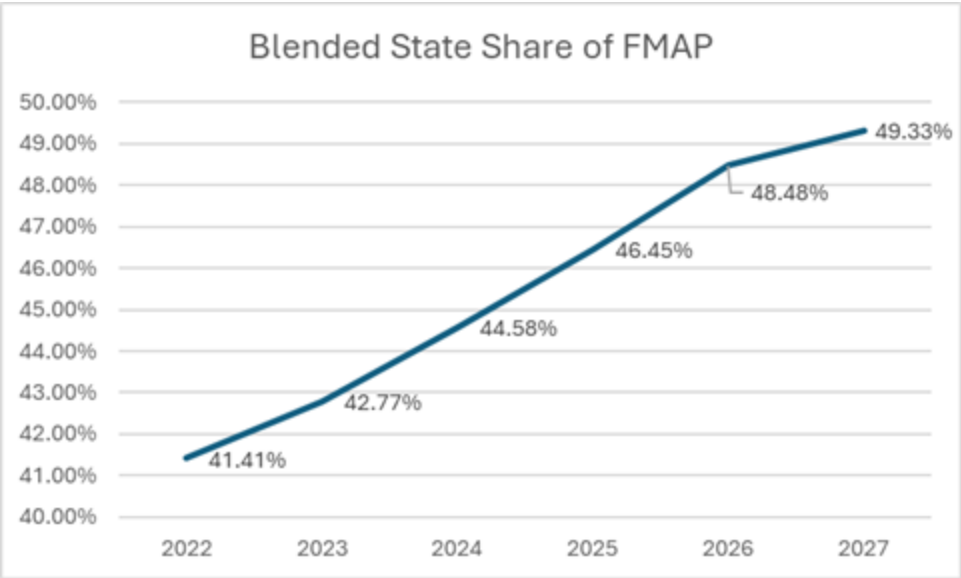
The exact percentage varies every year depending on the ratio of the three-year average of the per capita income of South Dakota versus the three-year average of the per capita income of the United States as a whole. The data for this calculation comes from the per capita income report produced by the Bureau of Economic Analysis. The state share of the FMAP must be between 50% and 17%. The FMAP is governed in code by 42 U.S. Code § 1396b.



For budgeting purposes, we use a blended FMAP which is a weighted average of the FMAP of the current year and the FMAP of the upcoming year. This is because the state fiscal year begins in July for South Dakota while the federal fiscal year begins in October for the federal government.

For SFY2027, the blended FMAP state share is 49.33% up from 48.48% in SFY2026. The main reason for this increase is the stronger than expected income performance for South Dakota in 2025. The unemployment rate in South Dakota has been at about 2% per year for the

past few years with a labor participation rate of 68.5%. The unemployment rate for the United States has been 4% for 2023 and the labor participation rate has been 62.6%. These factors have been driving the state share of FMAP up for the past few years since the COVID-19 pandemic.



Social Services uses the FMAP rate for Medicaid, CHIP, and other economic assistance programs.

The governor recommends an increase of **\$6,522,690** in **general funds** and a decrease of **(\$6,522,690)** in **federal funds**.

The agency request for the FMAP change is based on preliminary BEA per capita income figures released in August, while the governor's recommendation for FMAP is based on final BEA per capita income figures released in October. The BEA adjustment has increased the FMAP change for FY2027, and this has brought about the additional general fund request shown here.

8. Technology Services Transfer

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$0	\$0	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests a transfer of **\$305,270** in **general funds**, **\$352,601** in **federal funds**, and **3.0 FTE** for IT services.

The department wants to centralize IT services within the Operations and Technology budget center. Currently, there is a budget for IT services within the Behavioral Health budget center, and this would be moved to Operations and Technology. This includes an FTE transfer of 3.0, which will be the IT Product Owners. This will allow Social Services to use the IT resources throughout DSS, and not just in Behavioral Health.

This transfer will not change anything operationally, and there will not be any additional hires for this transfer.

The governor recommends this request.

9. Kinship Licensure Transfer

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$0	\$0	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests a transfer of **\$1,932,944** in **general funds**, **\$842,549** in **federal funds**, and **1.0 FTE** for kinship licensing.

The transfer is moving spending authority from child protection services to the Office of Licensing and Accreditation. Changes in federal rules prompted a ruling change for licensing standards for kinship providers. These standards include a home study, background checks, and unique training for kinship adoption. This change will allow kinship adoption families access to federal resources, including funding, and be handled in the appropriate part of DSS for licensing and preparing families for kinship adoption.

DSS will continue to work with contracted service providers, such as Lutheran Social Services, to provide these services to assist with kinship licensing and making sure the families have the resources they need for a successful adoption.

The FTE is an unused FTE being transferred from the Human Services Center to the Office of Licensure and Accreditation to help support this function.

The governor recommends this request.

10. One Stop Transfer

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$0	\$0	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests a transfer of **\$1,227,830** in **general funds** for the Sioux Falls One Stop.

Social Services is the largest agency in the Sioux Falls One Stop, taking up about 25% of the building along with other agencies. At the Sioux Falls One Stop, DSS provides many public-facing services such as accepting benefit applications, reuniting families, doing checks on children, and other activities. DSS provides services to 150-200 customers per day and gets upwards of over 500 calls per day.

The transfer will move spending authority from community behavioral health to other areas of the DSS budget such as economic assistance, medical services, child support, and child protection services. The purpose is to move the spending to the areas that are actually being used and to match the budget with actual spending.

The governor recommends this request.

11. Board of Addiction & Prevention Professionals Operations

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$7,000	\$7,000	0.00
Governor's Recommendation	\$0	\$0	\$7,000	\$7,000	0.00

The agency requests an increase of **\$7,000** in **other fund** expenditure authority for operating expenses of the Board of Addiction & Prevention Professionals.

The Board of Addiction & Prevention Professionals is the board responsible for the testing, licensing, and regulation of professionals relating to addictions and prevention of addictions for narcotic drugs. The board meets several times a year to review applications, hear appeals, review reports, and make rules concerning the professions.

The board runs on a per diem basis when they meet, meaning that the board members are paid on a per meeting basis. The board is supported by fees for licensing, renewal, penalties, and other payments. The other fund request is pulled from the Board of Alcohol and Drug Professionals fund.

The governor recommends this request.

12. Board of Counselor Examiners Operations

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$72,987	\$72,987	0.00
Governor's Recommendation	\$0	\$0	\$72,987	\$72,987	0.00

The agency requests an increase of **\$72,987** in **other fund** expenditure authority for the Board of Counselor Examiners Operations.

The Board of Counselor Examiners is the board responsible for the testing, licensing, and regulation of professionals relating to social counselors in South Dakota. The board meets several times a year to review applications, hear appeals, review reports, and make rules concerning the counselors.

The board runs on a per diem basis when they meet, meaning that the board members are paid on a per meeting basis. The board is supported by fees for licensing, renewal, penalties, and other payments. The other fund request is pulled from the Board of Counselor Examiners fund. The board also utilizes contracts for an executive director and IT professionals which also pulls from the fund.

The governor recommends this request.

13. Board of Social Work Examiners Operations

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$10,000	\$10,000	0.00
Governor's Recommendation	\$0	\$0	\$10,000	\$10,000	0.00

The agency requests an increase of **\$10,000** in **other fund** expenditure authority for Board of Social Work Examiners operations.

The Board of Social Worker Examiners is the board responsible for the testing, licensing, and regulation of professionals relating to social workers in South Dakota. The board meets several times a year to review applications, hear appeals, review reports, and make rules concerning the counselors.

The board runs on a per diem basis when they meet, meaning that the board members are paid on a per meeting basis. The board is supported by fees for licensing, renewal, penalties, and other payments. The other fund request is pulled from the Board of Social Workers Examiners fund. The board also utilizes contracts for an executive director and IT professionals which also pulls from the fund.

The governor recommends this request.

14. Rural Health Transformation Grant

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$100,000,000	\$0	\$100,000,000	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of **\$100,000,000** in **federal funds** for the new Rural Health Transformation Grant.

The OBBB created a federal grant awarded to states for the improvement of health services and clinics in the rural parts of the state. As of recent, a total of \$189,000,000 for the first year in federal grants has been awarded to South Dakota for these improvements.

The grant will be under the care of the Department of Health with four major goals.

- 1. Connecting Technology & Data: Deploy certified EHR systems, integrate health information exchange, fund telehealth equipment and platforms, support cybersecurity enhancements, and create a Rural Data Atlas for evidence-based planning.
- 2. Advancing the Rural Workforce: Provide recruitment incentives and retention supports for healthcare professionals, expand Community Health Worker training and certification, and establish a Training and Resource Hub for continuing education.
- 3. Keeping Healthcare Local and Strong: Explore new Medicaid payment models, award Rural Health Access and Quality Grants for facility optimization, strengthen chronic disease management programs, and improve access to maternal care.
- 4. Transforming Systems for Sustainability: Implement Certified Community Behavioral Health Clinics statewide, integrate behavioral health into primary care through the Collaborative Care Model, and establish regional Emergency Medical Services hubs.

Specific plans will be addressed in the future, including plans on how this grant will be appropriated and used. Funding will be appropriated through a special appropriation via HB 1044.

The governor does not recommend this request.

15. Medicaid Enrollees and Utilization

	General	Federal	Other	Total	FTE
Agency Request	\$17,499,099	\$18,403,853	\$0	\$35,902,952	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of **\$17,499,099** in **general funds** and an increase of **\$18,403,853** in **federal funds** for the change in Medicaid Enrollees and Utilization.

Medicaid is a federal program that pays for the medical costs of low-income individuals. The state and the federal government share in the cost at the standard FMAP rate with a higher rate for the Children’s Health Insurance Program (CHIP). DSS is the agency responsible for managing the Medicaid program in South Dakota and reports to the Department of Health & Human Services on usage and reported costs.

Medicaid covers children, pregnant women, aged adults, and children and adults with disabilities. Anyone qualified for Medicaid is not qualified for Medicaid Expansion. CHIP is a federal health insurance program to cover children of low-income families. The income qualification for CHIP is higher than for Medicaid, and anyone eligible for Medicaid is not eligible for CHIP.

Between July 2025 and November 2025, the average monthly enrollment for Medicaid has been 98,030 people. This includes both adults and children who are enrolled in Medicaid only. DSS estimates the average monthly enrollment for FY 2027 for Medicaid is 115.446 people per month with an annual average cost of \$9.602.

Between July 2025 and November 2025, the average monthly enrollment for CHIP has been 14.243 children. DSS estimates the average monthly enrollment for CHIP is 15.864 children with an annual average cost of \$3,301.

The governor does not recommend this request.

16. Medicaid Expansion Enrollees and Utilization

	General	Federal	Other	Total	FTE
Agency Request	\$2,295,923	\$20,663,318	\$0	\$22,959,241	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of **\$2,295,923** in **general funds** and an increase of **\$20,663,318** in **federal funds** for a change in Medicaid Expansion Enrollment and Utilization.

During the 2022 general elections, voters approved Amendment D which expanded Medicaid eligibility to all adults who earn 138% of the federal poverty guideline. Enrollees of the Medicaid Expansion program are eligible for all medical services covered by the traditional Medicaid program.

The cost is split by a flat 90% federal/10% state share, meaning for every \$100 spent on a person covered by Medicaid Expansion, \$90 of the cost is covered by the federal government and \$10 of the cost is covered by general funds. This 90% split does not vary from year to year and is part of federal law. For this reason, budgeting for Medicaid Expansion is separate from traditional Medicaid.

As of November 2025, there were 29,504 enrolled in Medicaid Expansion. DSS estimates that during FY 2027, there would be an average monthly enrollment of 32,619 people, with an average annual cost of \$13,760 per enrollee.

The governor does not recommend this request.

17. Discretionary Provider Inflation

	General	Federal	Other	Total	FTE
Agency Request	\$11,433,658	\$19,317,230	\$0	\$30,750,888	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of **\$11,433,658** in **general funds** and an increase of **\$19,317,230** in **federal funds** for discretionary provider inflation at 2.4% for all providers.

Certain facilities provide services for South Dakota while not being owned directly by South Dakota. These facilities include health care facilities, nursing homes, service businesses, and other local businesses in South Dakota. The state pays these businesses for their services. Every year, the state increases the amount paid to these businesses.

The increase depends on the estimation of general funds that could be used for these providers, the Consumer Price Index (CPI), and prevailing market conditions. The general objective of these increases is to encourage businesses to continue doing business with the state while maintaining a balanced budget. The Governor's office makes the decision as to the percentage increase for all providers, and each agency applies the decision to the providers under their supervision.

In FY2027, the agencies applied an increase of 2.4% for all providers. The governor recommends an increase of 0% for all providers.

The governor does not recommend this request.

18. Subsidized Adoptions

	General	Federal	Other	Total	FTE
Agency Request	\$704,501	\$603,376	\$0	\$1,307,877	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of **\$704,501** in **general funds** and an increase of **\$603,376** in **federal funds** for a change in subsidized adoptions.

When a child is adopted by a family, the parents may need help to care for the newly adopted child. DSS offers these parents certain subsidies to help care for these children, including subsidies for food, clothing, medicine, and other needs. This is to provide assistance to new parents that may need help.

A child is eligible for a subsidized adoption when the Department of Social Services has the legal authority to place and to consent to a child’s adoption and when the special needs and circumstances of the child result in a limited number of suitable adoptive homes available, necessitating the use of a subsidized adoptive home.

An effort to place without a subsidy must be documented before a subsidy is approved. Children in any of the above situations may be eligible for financial assistance in an amount up to the current standard basic foster care rate. A child’s benefits from other sources, such as Supplemental Security Income (SSI) or Social Security, will affect the amount of the subsidy. Medicaid will also be provided.

Fiscal Year	Subsidized Adoptions
2022	2,187
2023	2,271
2024	2,355
2025	2,442
2026 (Estimate)	2,527
2027 (Estimate)	2,612

The governor’s recommendation would leave spending levels in place where they are now.

The governor does not recommend this request.

19. Child Support Software and Maintenance

	General	Federal	Other	Total	FTE
Agency Request	\$82,424	\$160,002	\$0	\$242,426	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of **\$82,424** in **general funds** and an increase of **\$160,002** in **federal funds** for the existing Child Support Software Systems.

The Division of Child Support works with parents, employers, and other partners to help ensure children receive court ordered child support and medical support. The Division of Child Support is dedicated to helping families with the many aspects of child support including establishing paternity and child support orders, locating a non-paying parent, and collecting and paying child support.

The division uses a variety software licenses to fulfill its mission, and the software used includes Fairfax, used to scan and process child support payments, GovLink, used to file legal documents, and Track My Cases, used to manage and review cases DSS handles.

The request would cover the increased licensing fees, hardware maintenance, and BIT hosting.

The governor does not recommend this request.

20. BEES System and Operations Expansion

	General	Federal	Other	Total	FTE
Agency Request	\$365,000	\$885,000	\$0	\$1,250,000	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of **\$365,000** in **general funds** and an increase of **\$885,000** in **federal funds** for the expansion of the BEES System and Operations.

DSS uses the Benefit Enrollment and Eligibility System (BEES) to be an all-in-one enrollment system for all benefits managed by DSS, including Medicaid, SNAP, TANF, and other economic assistance programs.

Over the past year, DSS has process 87,950 applications in BEES, and DSS expects this to increase in the future. BEES continues to be expanded and all Medicaid and Child Care Assistance applications will be processed through BEES. Some of the cost is covered purely by general funds while others, such as Medicaid, will use some federal funds.

The governor does not recommend this request.

21. Family Service Specialists

	General	Federal	Other	Total	FTE
Agency Request	\$395,805	\$69,848	\$0	\$465,653	6.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of **\$395,805** in **general funds**, an increase of **\$69,848** in **federal funds** and an increase of **6.0** FTE for new Family Service Specialists.

The Family Service Specialists investigate allegations of child abuse and neglect as reports come in. They asses the risk the children are facing, make safety decisions, and make plans to move the children to a kinship or foster care placements. Other duties include keeping track of the cases, testifying in court, and coordinating between community providers and family members for assistance.

Currently, the family service specialists deal with 30+ cases, and this request would look to lower that to under 25 cases. The request includes 5 Family Service Specialists and 1 Family Service Specialist Supervisor.

The governor does not recommend this request.

22. Employment Verification Contract

	General	Federal	Other	Total	FTE
Agency Request	\$550,000	\$900,000	\$0	\$1,450,000	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of **\$550,000** in **general funds** and an increase of **\$900,000** in **federal funds** for an expansion of the employment services contract.

DSS is responsible for ensuring the eligibility of need-based programs such as SNAP, TANF, and Medicaid. DSS works with contracted providers to get accurate employment data for certain individuals to accurately asses the eligibility for need-based programs. Currently, DSS works with Equifax to provide this service and works through BEES to ensure this information is accurate.

The request would go to the maintenance and support of this contract to maintain the service.

The governor does not recommend this request.

23. Human Services Center Transfer

	General	Federal	Other	Total	FTE
Agency Request	\$0	(\$3,507,465)	\$16,899,240	\$13,391,775	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests a decrease of **(\$3,507,465)** in **federal funds** and an increase of **\$16,899,240** in **other fund** expenditure authority for a change in how human services tracks expenses.

This is an accounting change as to how the Human Services Center pays for the services provided. Originally, the funds would be paid directly from the general and federal funds at the FMAP rate. What would change is the funding would go into an other fund from the general and federal fund, and services would be paid out of the other fund.

This is similar to how the Veterans’ Home pays out their expenses from the Veterans’ Home Operating Fund.

The services provided at the Human Services Center will not change due to this request.

The governor does not recommend this request.

24. Drug Rebates

	General	Federal	Other	Total	FTE
Agency Request	\$32,160,174	\$64,110,595	\$0	\$96,270,769	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of **\$32,160,174** in **general funds** and an increase of **\$64,110,595** in **federal funds** for drug rebates provided by the drug companies.

DSS currently purchases drugs from drug manufacturers, but then gets a rebate from the manufacturers to offset the cost. All drug manufacturers who offer drugs as part of the Medicaid program are required by federal law to offer a rebate at an established amount set by the federal government. When the cost is budgeted, it is based on the cost net of any rebates.

The change is an accounting change that changes the budgeted cost from the cost net of rebates to the gross cost of these drugs. Operationally, nothing changes, and the Human Services Center will provide these drugs as necessary to patients.

The governor does not recommend this request.

Department of Social Services Budget Request

By Fund Category	FY 2024 Actual	FY 2025 Actual	FY 2025 Budget Revised	FY 2026 Budget	FY 2027 Agency Request	FY 2027 Governors Recommended	Change From FY2026
General	\$491,022,360	\$559,689,607	\$570,789,718	\$656,490,525	\$741,053,695	\$680,335,256	\$23,844,731
Federal	\$928,417,792	\$1,088,926,675	\$1,147,916,759	\$1,183,205,083	\$1,416,797,127	\$1,190,090,067	\$6,884,984

By Fund Category	FY 2024 Actual	FY 2025 Actual	FY 2025 Budget Revised	FY 2026 Budget	FY 2027 Agency Request	FY 2027 Governors Recommended	Change From FY2026
Other	\$6,653,316	\$5,977,518	\$8,851,132	\$11,217,424	\$28,206,651	\$11,307,411	\$89,987
Total	\$1,426,093,468	\$1,654,593,800	\$1,727,557,609	\$1,850,913,032	\$2,186,057,473	\$1,881,732,734	\$30,819,702
By Program	FY 2024 Actual	FY 2025 Actual	FY 2025 Budget Revised	FY 2026 Budget	FY 2027 Agency Request	FY 2027 Governors Recommended	Change From FY2026
Administration	\$34,076,551	\$35,005,102	\$39,001,096	\$39,740,311	\$43,056,066	\$42,881,308	\$3,140,997
Economic Assistance	\$155,378,467	\$151,073,802	\$156,685,601	\$166,490,040	\$170,983,153	\$166,169,105	(\$320,935)
Medical Services	\$938,310,621	\$1,154,411,474	\$1,204,056,095	\$1,296,527,522	\$1,606,921,785	\$1,327,761,288	\$31,233,766
Children's Services	\$115,379,992	\$120,464,817	\$125,666,814	\$130,842,276	\$133,323,180	\$129,647,516	(\$1,194,760)
Behavioral Health	\$182,526,738	\$193,140,174	\$201,618,098	\$216,779,452	\$231,149,871	\$214,650,099	(\$2,129,353)
Board of Counselor Examiners - Info	\$96,027	\$148,095	\$146,368	\$114,557	\$187,544	\$187,544	\$72,987
Board of Psychology Examiners- Info	\$64,468	\$64,377	\$74,265	\$90,453	\$90,453	\$90,453	\$0
Board of Social Work Examiners - Info	\$120,462	\$128,478	\$138,049	\$135,869	\$145,869	\$145,869	\$10,000
Board of Addiction & Prevent Prof - Info	\$140,143	\$157,482	\$171,223	\$192,552	\$199,552	\$199,552	\$7,000
Total	\$1,426,093,468	\$1,654,593,800	\$1,727,557,609	\$1,850,913,032	\$2,186,057,473	\$1,881,732,734	\$30,819,702
By Object Expenditure Personnel Costs	FY 2024 Actual	FY 2025 Actual	FY 2025 Budget Revised	FY 2026 Budget	FY 2027 Agency Request	FY 2027 Governors Recommended	Change From FY2026
	\$125,927,155	\$133,203,180	\$141,212,487	\$143,120,014	\$143,938,268	\$143,472,615	\$352,601
Salaries	\$96,295,623	\$101,564,582	\$106,279,044	\$106,405,975	\$106,884,006	\$106,541,158	\$135,183
Benefits	\$29,631,532	\$31,638,598	\$34,933,443	\$36,714,039	\$37,054,262	\$36,931,457	\$217,418
Operating Expenditures	FY 2024 Actual	FY 2025 Actual	FY 2025 Budget Revised	FY 2026 Budget	FY 2027 Agency Request	FY 2027 Governors Recommended	Change From FY2026
	\$1,300,166,313	\$1,521,390,621	\$1,586,345,122	\$1,707,793,018	\$2,042,119,205	\$1,738,260,119	\$30,467,101
Travel	\$2,521,665	\$2,729,991	\$2,602,561	\$2,607,561	\$2,607,561	\$2,607,561	\$0
Contractual Services	\$105,488,307	\$103,505,585	\$75,843,581	\$85,410,676	\$92,515,776	\$88,228,067	\$2,817,391
Supplies	\$5,111,953	\$5,474,867	\$5,166,150	\$5,013,600	\$5,038,828	\$5,017,755	\$4,155
Grants	\$1,174,405,472	\$1,406,233,779	\$1,501,019,730	\$1,613,043,581	\$1,940,239,440	\$1,640,689,136	\$27,645,555
Capital Outlay	\$12,104,988	\$3,317,282	\$1,717,600	\$1,717,600	\$1,717,600	\$1,717,600	\$0
Other Expenses and Budgeted Operating Transfers Out	\$533,928	\$129,117	\$0	\$0	\$0	\$0	\$0
BUDGET OFFSET ACCOUNT	\$0	\$0	(\$4,500)	\$0	\$0	\$0	\$0
Total	\$1,426,093,468	\$1,654,593,800	\$1,727,557,609	\$1,850,913,032	\$2,186,057,473	\$1,881,732,734	\$30,819,702

Operating Expenditures	FY 2024 Actual	FY 2025 Actual	FY 2025 Budget Revised	FY 2026 Budget	FY 2027 Agency Request	FY 2027 Governors Recommended	Change From FY2026
Full-Time Equivalent (FTE)	1,456.01	1,471.86	1,569.5	1,551.5	1,557.5	1,551.5	0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
STATE GENERAL FUND	\$193,521,736	\$0	\$0	28.4%	0.0%	0.0%
FEDERAL STIMULUS FUNDS (COVID-19)	\$0	\$3,750,000	\$0	0.0%	0.3%	0.0%
SOCIAL SERVICES FEDERAL FUNDS	\$0	\$898,470	\$0	0.0%	0.1%	0.0%
STATE OPIOID RESPONSE (SOR)	\$0	\$4,000,000	\$0	0.0%	0.3%	0.0%
DRUG & ALCOHOL SRVCS INFO SYS	\$0	\$34,247	\$0	0.0%	0.0%	0.0%
SUBSTANCE ABUSE PREVENTION & T	\$0	\$6,570,315	\$0	0.0%	0.6%	0.0%
BEHAVIORAL HEALTH SRVCS INFO S	\$0	\$296,971	\$0	0.0%	0.0%	0.0%
COMMUNITY MENTAL HEALTH SERVIC	\$0	\$2,194,777	\$0	0.0%	0.2%	0.0%
PATH	\$2,255	\$294,766	\$0	0.0%	0.0%	0.0%
COMMUNITY SERVICES BLOCK GRANT	\$0	\$3,223,867	\$0	0.0%	0.3%	0.0%
TANF-TEMP. ASSISTANCE FOR NEED	\$8,551,806	\$27,627,209	\$0	1.3%	2.3%	0.0%
WEATHERIZATION ASSISTANCE	\$0	\$7,841,116	\$0	0.0%	0.7%	0.0%
LOW INCOME ENERGY ASSISTANCE (	\$0	\$26,730,503	\$0	0.0%	2.2%	0.0%
COMMUNITY BASED FAMILY RESOURC	\$0	\$390,883	\$0	0.0%	0.0%	0.0%
TITLE IV-E FOSTER CARE	\$11,215,922	\$11,405,391	\$0	1.6%	1.0%	0.0%
TITLE IV-E INDEPENDENT LIVING	\$128,116	\$560,077	\$0	0.0%	0.0%	0.0%
TITLE XIX-PROVIDER	\$349,430,090	\$535,631,132	\$0	51.4%	45.0%	0.0%
SD - RURAL CRISIS RESPONSE GRA	\$0	\$708,477	\$0	0.0%	0.1%	0.0%
STRATEGIC PREVENTION CAPACITY	\$0	\$1,279,000	\$0	0.0%	0.1%	0.0%
BSCA CENTER FOR MENTAL HEALTH	\$0	\$132,000	\$0	0.0%	0.0%	0.0%
LOCAL 988 CAPACITY IMPROVEMENT	\$0	\$747,493	\$0	0.0%	0.1%	0.0%
TRANSFORMATION TRANSFR INITIAT	\$0	\$250,000	\$0	0.0%	0.0%	0.0%
MENTAL HEALTH AWARENESS TRAINI	\$0	\$156,758	\$0	0.0%	0.0%	0.0%
SUICIDE PREVENTION GRANT	\$0	\$400,000	\$0	0.0%	0.0%	0.0%
TITLE IV-D CHILD SUPPORT ENFOR	\$4,132,769	\$8,034,452	\$0	0.6%	0.7%	0.0%
TITLE XX-SOCIAL SERVICES BLOCK	\$3,501,953	\$4,262,030	\$0	0.5%	0.4%	0.0%
TITLE XIX-ADMINISTRATION	\$26,582,656	\$81,682,934	\$280,701	3.9%	6.9%	2.5%
FAMILY VIOLENCE PREVENTION & S	\$0	\$3,275	\$0	0.0%	0.0%	0.0%
CHILD CARE/DEVELOP. FUND-DISCR	\$0	\$25,838,436	\$0	0.0%	2.2%	0.0%
FOOD STAMPS	\$12,851,014	\$9,395,445	\$13,114	1.9%	0.8%	0.1%
TITLE IV-E ADOPTION ASSISTANCE	\$8,878,949	\$9,089,530	\$0	1.3%	0.8%	0.0%
TITLE XVIII-MEDICARE	\$0	\$3,507,465	\$0	0.0%	0.3%	0.0%
CHILD CARE/DEVELOP. FUND-MANDA	\$6,440,779	\$8,252,812	\$0	0.9%	0.7%	0.0%
FOOD STAMPS EMPLOYMENT & TRAIN	\$0	\$538,323	\$0	0.0%	0.0%	0.0%
NO DESC (PRIOR)	\$0	\$130,000	\$0	0.0%	0.0%	0.0%

	General	Federal	Other	General%	Federal%	Other%
CHILD ABUSE & NEGLECT	\$0	\$152,290	\$0	0.0%	0.0%	0.0%
TITLE XXI-CHILDREN'S HEALTH IN	\$18,028,027	\$34,181,723	\$0	2.6%	2.9%	0.0%
FOOD STAMPS EMPLOYMENT & TRAIN	\$7,240	\$7,240	\$0	0.0%	0.0%	0.0%
EDUCATIONAL & TRAINING VOUCHER	\$0	\$155,291	\$0	0.0%	0.0%	0.0%
MEDICAID EXPANSION	\$36,626,692	\$368,017,907	\$0	5.4%	30.9%	0.0%
TITLE IV-E ADOPTION INCENTIVE	\$0	\$100,062	\$0	0.0%	0.0%	0.0%
CHILDREN'S JUSTICE ACT	\$0	\$125,300	\$0	0.0%	0.0%	0.0%
FAMILY PRESERVATION & SUPPORT	\$152,846	\$534,798	\$0	0.0%	0.0%	0.0%
IDEA-PART B-STATE GRANTS	\$0	\$126,000	\$0	0.0%	0.0%	0.0%
OFFICE OF REFUGEE RESETTLEMENT	\$0	\$95,962	\$0	0.0%	0.0%	0.0%
MONEY FOLLOWS THE PERSON REBAL	\$0	\$100,885	\$0	0.0%	0.0%	0.0%
TITLE IV-E GUARDIANSHIP ASSIST	\$49,392	\$50,733	\$0	0.0%	0.0%	0.0%
FOOD STAMP E & T PART DEP CARE	\$57,660	\$57,660	\$0	0.0%	0.0%	0.0%
TITLE IV-B CHILD WELFARE SERVI	\$175,354	\$526,062	\$0	0.0%	0.0%	0.0%
FOOD STAMP INCENTIVES	\$0	\$0	\$1,108,707	0.0%	0.0%	9.8%
OCSE INCENTIVE	\$0	\$0	\$3,628,467	0.0%	0.0%	32.1%
HSC LOCAL & ENDOWMENT FUND	\$0	\$0	\$658,577	0.0%	0.0%	5.8%
PRESCRIPTION DRUG PLAN FUND	\$0	\$0	\$125,772	0.0%	0.0%	1.1%
USD/HSC MEDICAL FACULTY TRAINI	\$0	\$0	\$37,344	0.0%	0.0%	0.3%
TOBACCO PREVENTION & REDUCTION	\$0	\$0	\$260,635	0.0%	0.0%	2.3%
QMHP FEES	\$0	\$0	\$6,128	0.0%	0.0%	0.1%
OPIOID SETTLEMENT FUND	\$0	\$0	\$3,000,000	0.0%	0.0%	26.5%
GAMBLING TREATMENT	\$0	\$0	\$214,000	0.0%	0.0%	1.9%
COMMISSION ON GAMING	\$0	\$0	\$30,000	0.0%	0.0%	0.3%
LOCAL DONATED (DSS)	\$0	\$0	\$16,085	0.0%	0.0%	0.1%
BOARD OF COUNSELOR EXAMINERS	\$0	\$0	\$187,544	0.0%	0.0%	1.7%
BOARD OF EXAMINERS OF PSYCHOLO	\$0	\$0	\$90,453	0.0%	0.0%	0.8%
BOARD OF SOCIAL WORK EXAMINERS	\$0	\$0	\$145,869	0.0%	0.0%	1.3%
BOARD OF ADDICTION AND PREVENT	\$0	\$0	\$199,552	0.0%	0.0%	1.8%
CHILD CARE FUND	\$0	\$0	\$1,006,733	0.0%	0.0%	8.9%
CHILDREN'S TRUST FUND	\$0	\$0	\$297,730	0.0%	0.0%	2.6%

Community Engagement Work Requirement Implementation

- Increase of **\$450,000 in general funds** and an increase of **\$4,050,000 in federal fund expenditure authority** for community engagement requirements for Medicaid Expansion. Section 71119 of the OBBB requires all Medicaid Expansion enrollees to engage in 80 hours of community engagement per month while enrolled in Medicaid Expansion. The funding will be used to update Medicaid eligibility, MMIS, and other DSS systems to implement the requirements outlined in OBBB. This matches with other programs that require community engagement, such as SNAP and TANF.

Opioid Prevention Grants

- Increase of **\$9,000,000 in other fund expenditure authority** for Opioid Grant authority. This represents additional Opioid Other Fund authority allocated to DSS to support the facilitation of new Opioid grants as they are awarded. DSS, in coordination with the State Opioid Advisory Committee, recently expanded the framework for organizations and communities to apply for funding through these funds. The new framework broadens the focus to include the full continuum of opioid remediation, expanding prevention efforts, strengthening treatment options, developing better recovery support, and investing in strategies that reduce relapse. The update also extends beyond individuals with opioid use disorder as a primary diagnosis to include strategies for those who have had limited opioid use, are at risk for opioid use, or have other conditions along with opioid use concerns.

Realignment

- Total transfer of **\$3,466,044 in general funds, \$1,195,150 in federal funds, and 4.0 FTE**. This is a total of three transfers.
- The first transfer is from Human Services Center, Child Protection Services, and Community Behavioral Health to Office of Licensure and Accreditation for a total of **\$1,932,944 in general funds, \$842,549 in federal funds, and 1.0 FTE**. This transfer is to consolidate all of the kinship licensure services into the Office of Licensure and Accreditation which will manage all kinship licensing for foster care and adoption.
- The second transfer is from Community Behavioral Health to the Office of the Secretary, Economic Assistance, Medical Services, Child Support, Child Protection Services, Human Services Center, and Community Behavioral Health for a total of **\$1,227,830 in general funds**. DSS provides a wide variety of services at the Sioux Falls One Stop. The transfer is to move funding authority away from Community Behavioral Health to the other areas of the DSS budget to reflect where costs are being incurred. DSS is not expanding services nor asking for additional space.
- The third transfer is from the Human Services Center and Technology to Operations and Technology for a total of **\$305,270 in general funds, \$352,601 in federal funds, and 3.0 FTE**. This transfer would consolidate all of the internal IT functions done in DSS to one budget unit. Nothing is changing operationally with this transfer.

Utilities

- Increase of **\$13,370 in general funds** for utility cost adjustments for the Human Services Center. This is an adjustment for the utilities used in the Human Services Center. This is based on current ENCAP rates and expected usage to the end of the fiscal year of utilities at the Human Services Center.