

Childrens Administration

010 - PL - AH - IMPROVING THE PLACEMENT CONTINUUM

Agency Submittal: 11-2017-19-YR Agency Req

Budget Period: 2017-19

SUMMARY

A fragmented child welfare system has left abused and neglected children, especially those with high behavioral needs, without proper treatment and placement options. The 2016 Supplemental Budget bill, Section 202(20) required CA to develop a plan to improve placement stability and promote a continuum of care for children in child welfare. In the meantime, Children's Administration (CA) has developed short, medium and long-term options to address the fragmented system. CA requests \$5,100,000 (\$4,998,000 GF-State) to fund several new options that provide placements to children with the highest behavioral and mental health needs.

PROBLEM STATEMENT

Children's Administration is experiencing a placement crisis for children in out-of-home care with the most severe behavioral and mental health needs.

Over the last eight months, limited placement options have resulted in at least one child and up to 20 children staying in hotels, with staff supervision, each month. Hotel stays are a last resort when a social worker cannot locate a foster home or behavioral rehabilitation service provider that will place a child with severe behaviors.

Stagnant provider rates and rate structures have led to a lack of placement resources, especially for children with challenging behavior or mental health needs. To deal with the limited placements, social workers increased the use of relative caregivers, which decreased the pressure on licensed foster homes. But, there is still a lack of placement options for children with the most needs.

CA needs many types of care and homes for children. These options include:

- Receiving Care for children who are new to foster care, come in at any time of the day or night, seven days a week, and have an unknown set of issues;
- Licensed and Relative Foster Homes;
- Specialized foster homes or therapeutic foster homes focused on children with higher needs;
- Residential facilities for youth with significant behavioral, medical or mental health needs;
- Interim placements when youth are transitioning between longer-term placements.

CA's current rate structure creates significant payment gaps between these levels of care. It is not easy to step children into or out of more restrictive placements and there are a lack of appropriate placements throughout the continuum.

This placement crisis resulted in a proviso in the 2016 Supplemental Budget bill, Section 202(20), directing CA to consult with stakeholders to examine the foster care placement continuum and formulate a plan for improving placement stability.



DSHS VISION

People are healthy • People are safe • People are supported • Taxpayer resources are guarded

DSHS MISSION

To transform lives

DSHS VALUES

Honesty and Integrity • Pursuit of Excellence • Open Communication • Diversity and Inclusion • Commitment to Service

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The plan is due to the Legislature by December 1, 2016 and will include recommendations including:

- Analysis of the cost-effectiveness and outcomes of existing placement options;
- Development of common and consistent assessment criteria for determining the correct level of care;
- Delineation of a continuity of care continuum;
- Identification of gaps in services, with recommended strategies and costs for addressing those gaps; and
- Development of models for stabilizing funding, including forecasting models, for all components of the service continuum.

PROPOSED SOLUTION

CA is implementing a number of solutions to increase placement options for children with behavioral and mental health needs. These include development of new emergent placement contracts and working with an out-of-state service provider to provide additional Behavioral Rehabilitative Services (BRS) placements within Washington State. CA requests \$5,100,000 (\$4,998,000 GF-State) to fund several new options that provide placements to children with the highest behavioral and mental health needs.

Short-Term Solution

CA has developed two new emergent placement service contracts:

- **Emergent Placement Services** – These services are for youth who may or may not have challenging behaviors, but need an emergent placement. CA will work with three providers to bring up approximately 25 beds. The cost for these contracts would be \$2.5 million per year.
- **Emergent Placement Services Plus** – This contract includes six emergent beds for youth with significant mental health issues. These beds would cost \$2 million per year due to the need for 1:1 staffing because of the behavioral and mental health needs of the children.

Medium-Term Solution (In progress):

CA is working with an out-of-state service provider to determine feasibility of leasing state-owned facilities for use as longer-term BRS placement within Washington State. CA is uncertain of the potential budget impact from this agreement. However, the provider monthly average cost is \$1,000 more than the current highest BRS rate. This higher rate could result in an increase of \$500,000 annually.

Long-Term Solution

Work is underway to develop the placement continuum plan that is due to the Legislature by December 1, 2016. This plan will include a number of recommendations related to existing placement options, gaps in service and assessments. CA is working with internal experts and external stakeholders to develop the recommendations required by the proviso. This includes substantial outreach to providers and analyses of other state's approach to foster care. The report will outline a number of steps that can increase placement options and strengthen the continuum. It is likely that a significant change in both the rates and their structure will be necessary. Rates paid for foster homes and residential facilities working with foster children with special needs have experienced rate stagnation since 2008. CA requests \$100,000 for a consultant to analyze rate data and assist in developing new rates.

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EXPECTED RESULTS

The short-term placement options and long-term continuum of care recommendations will increase access to behavioral and mental health treatment for foster youth with the most challenging needs, and therefore will:

- Improve behavioral and mental health outcomes for foster youth;
- Provide a more consistent assessment process to determine level of care;
- Free-up social worker time for better service provision; and
- Analyze the current rate structure and recommend needed adjustments.

CA will be able to increase the number of appropriate placements for the wide-array of children who have to be placed in foster care. This involves developing resources that can take children on an emergent basis, either when they are first removed from their home or when they cannot be stable in a foster home. Services, facilities and homes need to be developed to address the highly acute children who are coming into and already in foster care, including those with significant mental health issues, developmental disabilities, autism, and sexually aggressive behavior.

A robust placement continuum will result in reduced workload for social workers. They are currently spending time trying to find appropriate placements, transporting children from far-flung homes, or staying in hotels with potentially violent youth. The social worker time freed up will be devoted to the ultimate goal of securing a permanent home and family for children.

Appropriate continuums will help CA transition children in and out of higher intensity care. CA expects to ultimately see a reduction in the length of stay in facilities or congregate care, increased stability for foster children (which is reported to the federal government), increased permanency and decreased turnover among CA staff.

Every child who cannot safely stay with their families deserves to have a high quality, safe and supportive environment. Children in the child welfare system are incredibly vulnerable and have suffered significant trauma before being removed from their families. Their needs are significant and they are owed a safe and stable home.

STAKEHOLDER IMPACT

The report recommendations will be of interest to CA and other DSHS administration's service providers, other state agencies, and child welfare advocates because of their inputs and common goal to improve children's lives involved with child welfare.

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OTHER CONNECTIONS

Performance Outcomes/Important Connections

1. Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.

2. The decision package meets the following DSHS' strategic objectives:

1.2: Maintain the high percentage of children in placement who received a visit to evaluate their health and safety during a calendar month they were in care.

2.1: Percentage of children not re-entering placement within 12 months of reunification will increase.

3. Identify other important connections or impacts below. (Indicate 'Yes' or 'No'. If 'Yes' identify the connections or impacts related to the proposal.)

- a) Regional/County impacts? No.
- b) Other local government impacts? Potentially. One of the systems CA will examine is the connection to local juvenile justice systems and appropriate options for youth who have been recently served by or rejected from these systems.
- c) Tribal government impacts? Yes. CA considers tribes an important stakeholder and will ensure they have a voice in the recommendations.
- d) Other state agency impacts? Yes. Part of the report will look at multi-system involved children and youth. In addition, pursuing the use of under-utilized state facilities will impact other parts of DSHS and other state agencies.
- e) Responds to specific task force, report, mandate or executive order? Yes, the 2016 Supplemental Budget, Section 202(20), requires CA to develop report looking at placement continuum.
- f) Does request contain a compensation change or require changes to a Collective Bargaining Agreement? No.
- g) Facility/workplace needs or impacts? Most likely no, however talks have just begun with an out of state provider regarding use of Washington State facilities.
- h) Capital budget impacts? See above.
- i) Is change required to existing statutes, rules or contracts? No.
- j) Is the request related to litigation? No.
- k) Is the request related to Puget Sound recovery? No.
- l) Other important connections? None.

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- 4. Please provide a detailed discussion of connections/impacts identified above.** The report will provide recommendations and solutions to CA's placement crisis, which includes inputs from stakeholders and advocates of child welfare.

Alternatives/Consequences/Other

- 5. What alternatives were explored by the agency, and why was this alternative chosen?** CA is currently placing youth in hotels but this approach does not line up with its mission of keeping children safe. This was a temporary option due to a crisis in placement options. CA is considering many options and alternatives, but almost all of them will take additional investment.
- 6. How has or can the agency address the issue or need within its current appropriation level?** CA has not been able to address crisis placement within its current appropriation. Different rates for levels of care of children, providers' motivation to maximize their financial goals, and increasing behavioral challenges of children under CA's care all led to increased costs.
- 7. Does this decision package include funding for any IT-related costs (hardware, software, services, cloud-based services, contracts or IT staff)?**
- No**
- Yes (Include an IT Addendum)**

Fiscal Detail**010 - PL - AH - Improving the Placement Continuum**

Operating Expenditures	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
001-1 General Fund-State	2,548,000	2,450,000	2,450,000	2,450,000
001-A General Fund-DSHS Fam	52,000	50,000	50,000	50,000
Total Cost	2,600,000	2,500,000	2,500,000	2,500,000
Staffing	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
FTEs	0.0	0.0	0.0	0.0

Performance Measure Detail

Activity:	Incremental Changes			
	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Program: 010				
A011 Program Support for Children's Administration	0	0	0	0
A007 Behavioral Rehabilitative Services (BRS)	0	0	0	0
A230 Foster Care Support	0	0	0	0
No measures submitted for package				

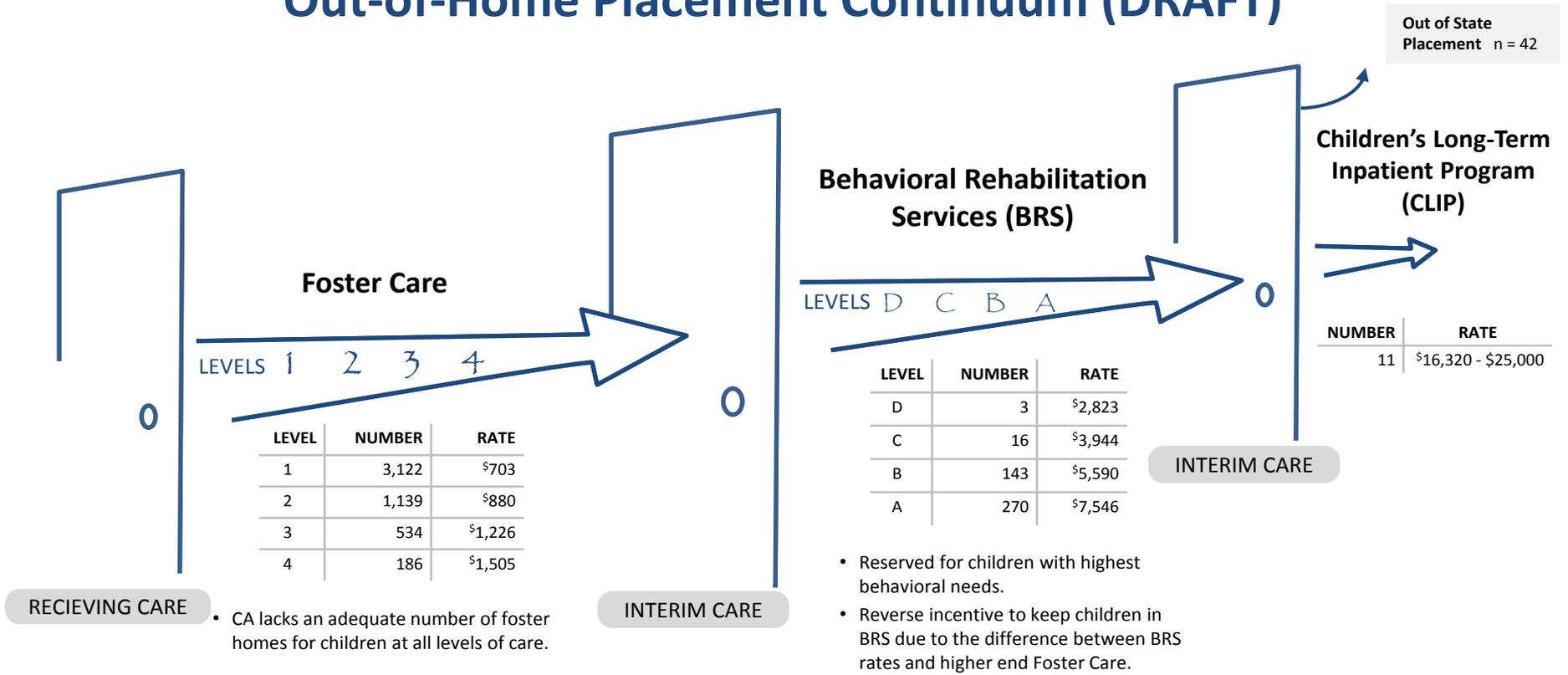
Object Detail

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
C Professional Service Contracts	100,000	0	0	0
N Grants, Benefits, and Client Services	2,500,000	2,500,000	2,500,000	2,500,000
Total Objects	2,600,000	2,500,000	2,500,000	2,500,000

DSHS Source Detail**Overall Funding**

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Operating Expenditures				
Fund 001-1, General Fund-State				
<u>Sources Title</u>				
0011 General Fund State	2,548,000	2,450,000	2,450,000	2,450,000
Total for Fund 001-1	2,548,000	2,450,000	2,450,000	2,450,000
Fund 001-A, General Fund-DSHS Fam				
<u>Sources Title</u>				
658L Title IV-E-Foster Care (50%)	52,000	50,000	50,000	50,000
Total for Fund 001-A	52,000	50,000	50,000	50,000
Total Overall Funding	2,600,000	2,500,000	2,500,000	2,500,000

Out-of-Home Placement Continuum (DRAFT)



Entry Challenges

- CA lacks resources for children first coming into care.
- A child may enter care, at any time or day or the week, with a variety of unknown issues, including substance abuse or mental health history
- New Emergent Placement Services could be used as short-term placements when children first enter care.

Transition Challenges: Foster Care to BRS

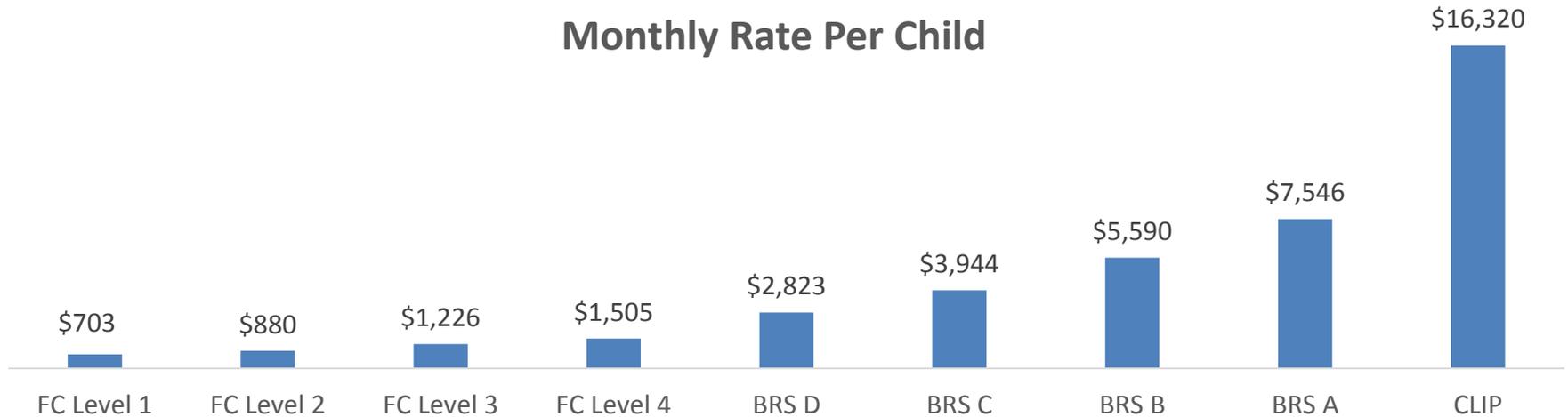
- As children's behavior escalates they may need to be moved to new placements or moved into BRS.
- It can take as little as two weeks to two months to find new placements for children and youth with behavior or mental health issues.
- If the original placement no longer works for the child or the foster home, children need a place to stay while a new more appropriate placement is arranged.
- Lacks appropriate step-downs.

Transition Challenges: Foster Care to CLIP

- Dependent children transition to other administrations (Juvenile Rehabilitation Administration & Behavioral Health).
- Further financial incentives to keep child in higher level care.
- There are limited numbers of CLIP and psychiatric beds available for children.
- Lacks appropriate step-downs.

The foster care rate structure creates significant gaps between levels of care. A rate cliff between BRS and higher levels of foster care creates a reverse incentive to keep children in higher level placements.

Monthly Rate Per Child



Foster Care

LEVEL	NUMBER	RATE
1	3,122	\$703
2	1,139	\$880
3	534	\$1,226
4	186	\$1,505

Behavioral Rehabilitation Services

LEVEL	NUMBER	RATE
D	3	\$2,823
C	16	\$3,944
B	143	\$5,590
A	270	\$7,546

CLIP

NUMBER	RATE
11	\$16,320 - \$25,000