Please note that all participants will be muted during the presentation so please use the Chat Function to Type Questions and email Jessie Rothkuo with any issues at jrothkuo@rhfdn.org

Protecting Your Child Welfare Budget During COVID-19 Reductions

Session 2: You Need To Cut, Now What?

August 11, 2020

1PM-2:30PM

Presenter: James C Czarniak

More kids entering foster care, but DSS budget cut

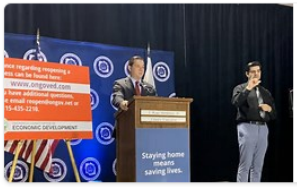
Laura Farmer
Published 6:33 p.m. CT Jul. 18, 2020

Over the past several days, we have all been made aware of the dire state of the Missouri revenue stream; we acknowledge that difficult decisions had to be made as more than $448M was cut from the state budget. CASA (Court Appointed Special Advocates) of Southwest Missouri was saddened to learn about the recent cuts to the Department of Social Services (DSS) budget. CASA program staff and volunteers work closely with DSS, namely Children's Division (CD), to advocate for abused and neglected children in the foster care system, and have recently learned that around 200 of the 300 state positions that will be lost to the cuts will come from DSS — 67% from one state department. We are also deeply concerned about

Onondaga County's sales tax shortfall is $26M for year; 'draconian' cuts loom

Onondaga County received a sales tax payment today that was $3.2 million less than the same payment a ...

Syracuse.com on MSN.com · 1d



McMahon: 'Draconian' cuts coming if feds don't help local governments

The coronavirus pandemic continues to push Onondaga County government deeper into debt. The ...

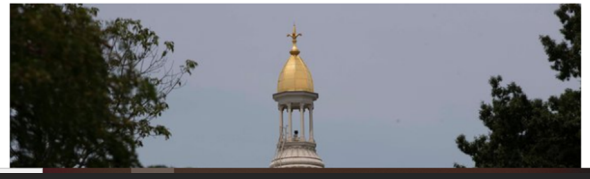
WRVO · 3h

See more news about Onondaga County Draconian Cuts

NEWS

Federal Judge Predicts "Doom" If NJ Cuts Budget For Foster Kids

BY NANCY SOLOMON, WNYC
JULY 15, 2020 12:08 P.M. • 6 COMMENTS



CHILDREN'S HEALTH

State Budget Cuts Threaten Child Welfare Programs

March 2, 2010 · 1:30 PM ET
Heard on All Things Considered

PAM FESSLER

7-Minute Listen + PLAYLIST

Part one in a two part report

Well more than 1,000 children die in the U.S. each year from abuse and neglect. Hundreds of thousands more are

Critical Questions from the Field

- If we cut staff, what will happen when we return to normal?
- If services are cut, how will we keep kids home safely and will it just increase our foster care numbers?
- Staff are working more from home and in the field more, how will this impact our budget moving forward?
- We were and are immersed in planning for Family First implementation, will we be taking a step back if we cut too much?
- Are we maximizing revenues to avoid cuts and are there ways program can assist in increasing revenue?

Poll: Which Statement Resonates Most with You?

By the end of the workshop, participants will…

- Be provided tools to assist them in assessing non-IV E cases and their claiming process to make sure revenue is maximized
- Be provided supports to help measure the impact of the new work environment on their budget and what potential savings may exist
- Have increased understanding of potential strategies that can align with Family First to reduce Foster Care Costs

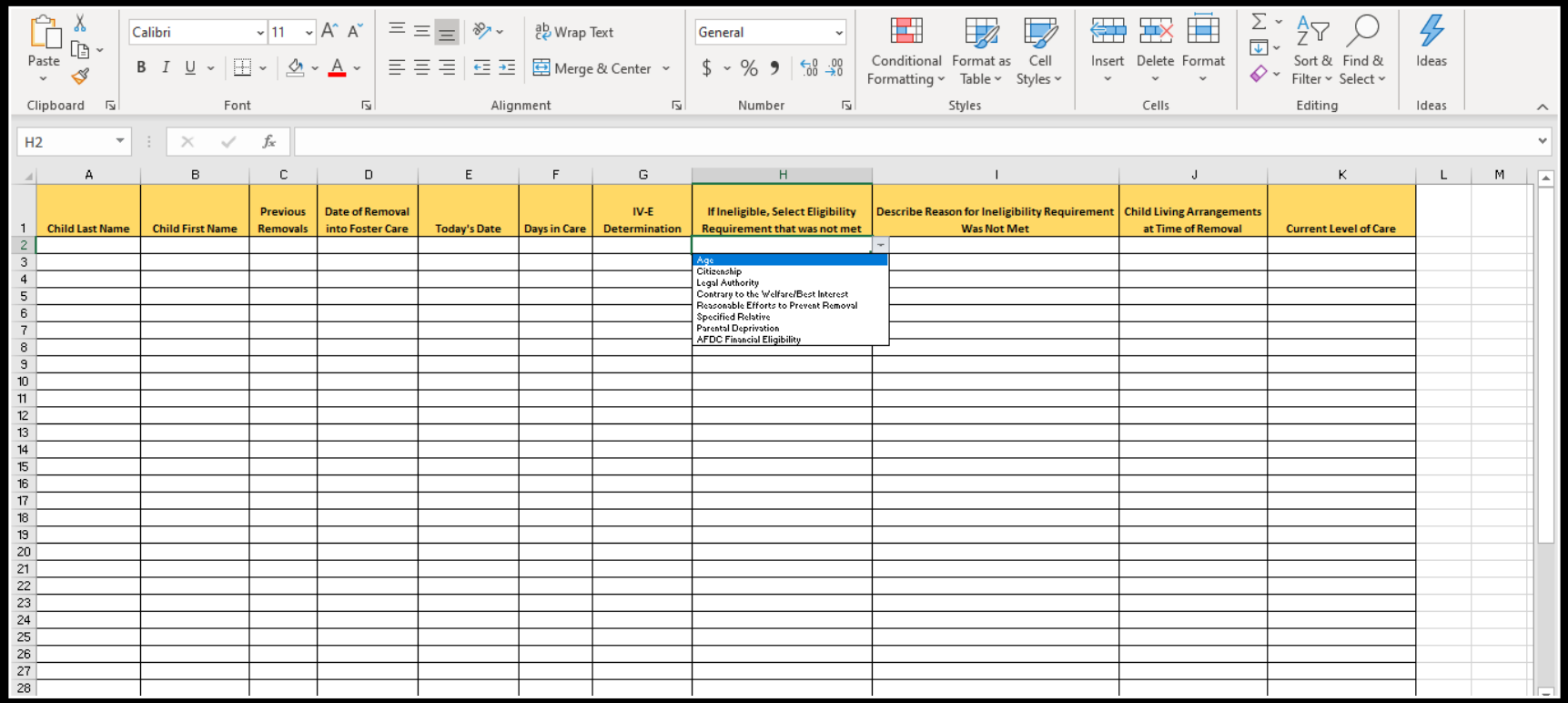
Presentation Overview

- Maximizing Your Revenue: Before you cut, ensure your revenues are maximized
- Temporary Savings: Reviewing the Impact of COVID-19 on your current expense patterns.
- Restructured Workforce: What is the impact of long-term changes to the way you do work and what savings should you consider?
- The Silver Lining: How to Utilize Family First and COVID as catalyst to reduce foster care and create savings the right way

Are You Maximizing Your Revenue?

- Critical to understand the connection between program decision making and the impact on revenue, especially IV-E revenue
- Not knowing what State cuts may be coming, it is critical to review your federal funding capture
- Many counties start with simple reviews of the cases that are not IV-E eligible (large counties a 10% random sampling, medium counties a 40% random sampling, small counties a 100% actual sampling).
- Other counties work on reverse mapping their placements to determine IV-e impact
- Process Mapping Your System to ensure you are solid from eligibility through claiming

Enclosed: County IV-E Quick Audit Spreadsheet



Reviewing Your Non-IV-E Eligible Cases

Child Last Name	Child First Name	Previous Removals	Date of Removal into Foster Care	Today's Date	Days in Care	IV-E Determination	If Ineligible, Select Eligibility Requirement that was not met	Describe Reason for Ineligibility Requirement Was Not Met	Child Living Arrangements at Time of Removal	Current Level of Care
		2	2/22/2019	7/14/2020	508	Non- IV-E Eligible	Specified Relative	Living with Relative Awaiting Certification	1017 Placement	Foster Boarding Home
		0	3/1/2016	7/14/2020	1,596	Non- IV-E Eligible	AFDC Financial Eligibility	Could not verify employment/income	Parent	Therapuetic Foster Home
		0	3/1/2016	7/14/2020	1,596	Non- IV-E Eligible	AFDC Financial Eligibility	Could not verify employment/income	Parent	RTC
		0	9/20/2017	7/14/2020	1,028	Non- IV-E Eligible	AFDC Financial Eligibility	Scratch Pad Budget	Parent	Foster Boarding Home
		0	8/13/2018	7/14/2020	701	Non- IV-E Eligible	Parental Deprivation	Father worked	Parent	Foster Boarding Home
		0	12/3/2018	7/14/2020	589	Non- IV-E Eligible	AFDC Financial Eligibility	Could not verify employment/income	Parent	Foster Boarding Home
		0	12/3/2018	7/14/2020	589	Non- IV-E Eligible	AFDC Financial Eligibility	Could not verify employment/income	Parent	Foster Boarding Home
		0	12/3/2018	7/14/2020	589	Non- IV-E Eligible	AFDC Financial Eligibility	Could not verify employment/income	Parent	Foster Boarding Home
		1	1/23/2020	7/14/2020	173	Non- IV-E Eligible	Specified Relative	Living with Kin	Kin	Foster Boarding Home
		1	1/23/2020	7/14/2020	173	Non- IV-E Eligible	Specified Relative	Living with Kin	Kin	Foster Boarding Home
		1	3/1/2019	7/14/2020	501	Non- IV-E Eligible	Specified Relative	Living with Kin	Kin	Foster Boarding Home
		1	3/1/2019	7/14/2020	501	Non- IV-E Eligible	Specified Relative	Living with Kin	Kin	Foster Boarding Home
		0	1/7/2019	7/14/2020	554	Non- IV-E Eligible	Specified Relative	Living with Relative Awaiting Certification	1017 Placement	Foster Boarding Home
		0	9/4/2019	7/14/2020	314	Non- IV-E Eligible	AFDC Financial Eligibility	Could not verify employment/income	Parent	Foster Boarding Home
		0	9/4/2019	7/14/2020	314	Non- IV-E Eligible	AFDC Financial Eligibility	Could not verify employment/income	Parent	Foster Boarding Home
		0	9/4/2019	7/14/2020	314	Non- IV-E Eligible	AFDC Financial Eligibility	Could not verify employment/income	Parent	Foster Boarding Home
		0	4/29/2018	7/14/2020	807	Non- IV-E Eligible	AFDC Financial Eligibility	Scratch Pad Budget	Parent	Foster Boarding Home
		0	2/28/2020	7/14/2020	137	Non- IV-E Eligible	AFDC Financial Eligibility	Scratch Pad Budget	Parent	Foster Boarding Home
		1	3/7/2020	7/14/2020	129	Non- IV-E Eligible	Specified Relative	Living with Relative Awaiting Certification	Kin	Foster Boarding Home
		1	3/7/2020	7/14/2020	129	Non- IV-E Eligible	Specified Relative	Living with Relative Awaiting Certification	Kin	Foster Boarding Home
		2	12/7/2018	7/14/2020	585	Non- IV-E Eligible	Specified Relative	Living with Relative Awaiting Certification	1017 Placement	Foster Boarding Home
		0	6/11/2018	7/14/2020	764	Non- IV-E Eligible	Specified Relative	Living with Kin	Kin/Relatives	Foster Boarding Home
		1	7/18/2018	7/14/2020	727	Non- IV-E Eligible	Specified Relative	Living with Kin	Kin/Relatives	Foster Boarding Home
		0	5/15/2019	7/14/2020	426	Non- IV-E Eligible	Specified Relative	Living with Kin	Kin/Relatives	Foster Boarding Home
		1	6/11/2018	7/14/2020	764	Non- IV-E Eligible	Specified Relative	Living with Kin	Kin/Relatives	SILP

Sample Findings From Using This Analysis

- Impact of Foster Care Certification Process on Emergency Certified Homes or Relatives/Kin placements awaiting certification
- 1017 Placements that come into foster care, are there certain populations that make sense to certify?
- Documentation of 'No Income' Household
- Taking Voluntary Agreements from non-parent/guardians

Have you reviewed the changes in your program and the impact on your IV-e?

Sum of Days in Care	Column Labels				
Row Labels	Foster Boarding Home	RTC	SILP	Therapuetic Foster Home	Grand Total
AFDC Financial Eligibility	**4681**	**1596**		**1596**	**7873**
Could not verify employment/income	2709	1596		1596	5901
Scratch Pad Budget	807				807
Scratch Pad Budget	1165				1165
Parental Deprivation	**701**				**701**
Father worked	701				701
Specified Relative	**5170**		**764**		**5934**
Living with Kin	764				764
Living with Kin	2501		764		3265
Living with Relative Awaiting Certification	1905				1905
Grand Total	**10552**	**1596**	**764**	**1596**	**14508**

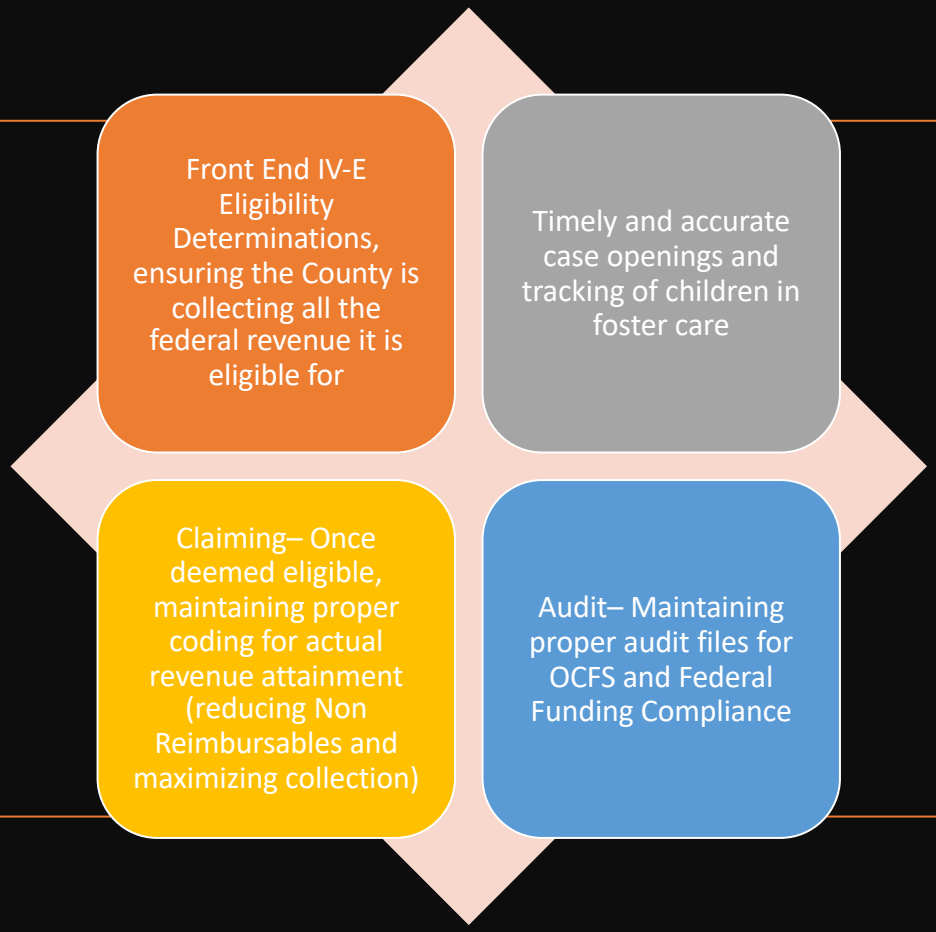
1,596 Care Days in an RTC = $606,480
1,596 Care Days in Therapeutic FH = $129, 130
2,709 Care Days in Foster Home = $92, 108

Lack of Income Verification

1,905 Care Days in Foster Home = $64,770

Certification of Relative Too Long

Process Mapping Overview



Removal Occurs

Removing Case Worker Sits with Eligibility Worker and Provides:

- Family Comp
- Children Removed
- Removal From (Court Order)
- Absent Parent
- Employment Information
- Legal Authority
- Foster Home Information

Primary Documents Used: Triage Checklist, Petition, Court Order

Systems Used: Assets, WMS, Connections

More Info Needed,

Initial Eligibility Work

Eligibility Worker then gathers:

- Birth Records, SS Card, ID (IECR)
- TA/FS/MA Income Verification (Welfare Mgt System, Child Support Database)
- Go through IV-E Checklist-4809
- Proof/Non-Proof of Income
- Make preliminary Eligibility Decision and Log into Spreadsheet
- IM Worker Gives to Sup for Review and Approval

Primary Documents Used: Triage Checklist, OCFS Form 4809

Systems Used: IECR, Welfare Management System, Child Support Database

Review/Approval and Opening

Supervisor Review and Approval:

- Reviews Case (if issues returned to Eligibility Worker to Correct or get more detail
- MA Packet to IM Worker
- FASP
- Open WMS
- Obtains Foster Home Certification Information
- Open Tracks in Activities in Connections
- Writes Payment Lines
- Enters Legal Codes
- FACES Admission
- Gives record to IM Worker for Medicaid Case Opening
- Return Family Case Volume to Specialist
- Information held in Medicaid File and filed

Mapping Process: Examples of What Is Learned

There can be delays in the gathering of information and the amount of information provided by the removing worker that can delay process and impact determination

There can be gaps in determining the best financial decision for the county, especially when SSI is used. When children move or increase in level of care, many systems do not have triggers to review and flip the case to claiming IV-e

Program changes in certifying foster homes, gathering or awaiting information, taking consents, voluntary placements can all impact IV-e eligibility and reimbursement

In addition to determining eligibility, it is critical to make sure that you are procuring the funds. Process helps understand how funds are collected and how to review Non Reimbursables

Ensuring Revenue is Maximized Can Minimize Cuts!

Poll: What Do You Need?

Cut Expenses and Minimize Impacts on Children and Families

Don’t Forget, Every Penny Counts…

- Review Current Expenses from March-July to see what budget lines are being underspent because of COVID
  - Parking
  - Travel Reimbursement
  - Training Budgets
  - Overtime
  - Program Supplies

- Analyze your current workforce plans to see if any of these will result in lasting savings

Changes to the Workplace with COVID-19 that will impact your budget

Flexible Schedule Impact on Overtime and Enhanced Compensation

- Working with Labor on allowing staff to flex schedule to reduce the use of overtime and other forms of enhanced compensation.

For Many, the Office Will Never Be The Same

- Reduced Need for Office Furniture and Supplies, Office Repairs, Leases for Copiers, Ergonomic Purchases, Leasing Office Space, 'mothballing' sections/floors of the office for heat and air conditioning costs

Analyzing Your Workforce and the Work

- Conducting a Workflow Analysis

https://rrlc.org/wp-content/uploads/2013/02/ce_Workflow-Analysis-Process.pdf

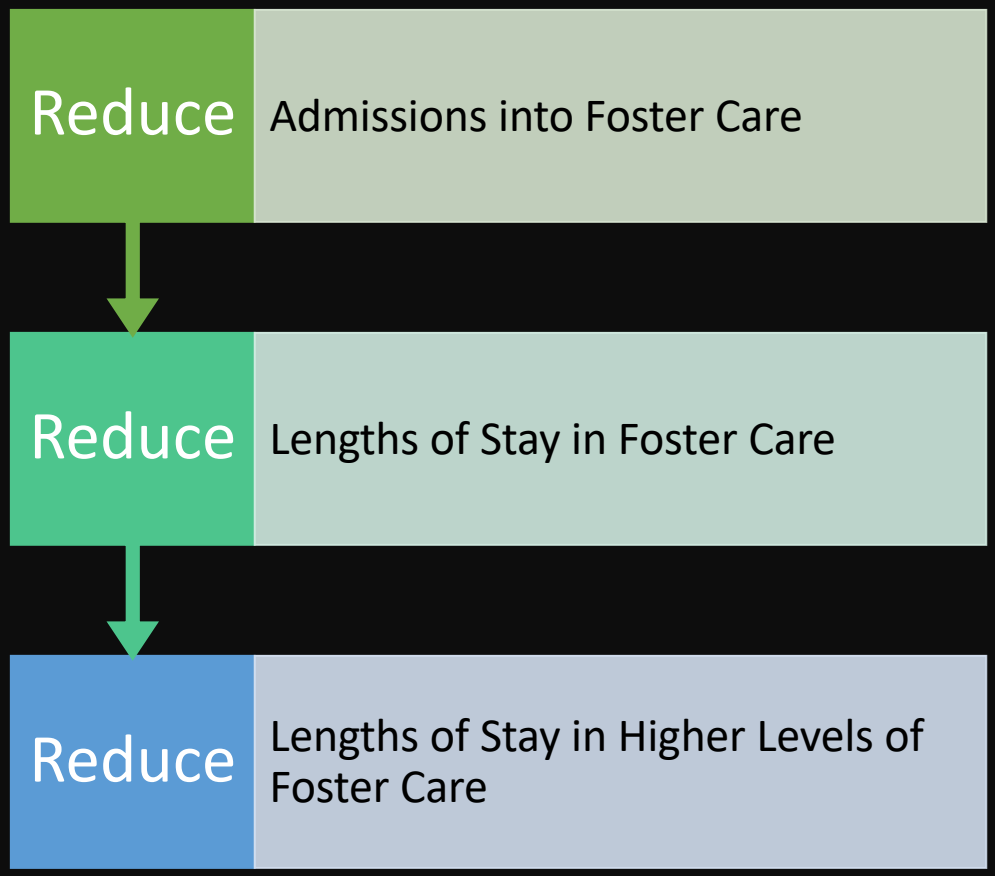
https://www.capterra.com/sem-compare/workflow-management-software?utm_source=bing&utm_medium=cpc

Reducing Costs the Right Way: Reducing Your Foster Care Budget

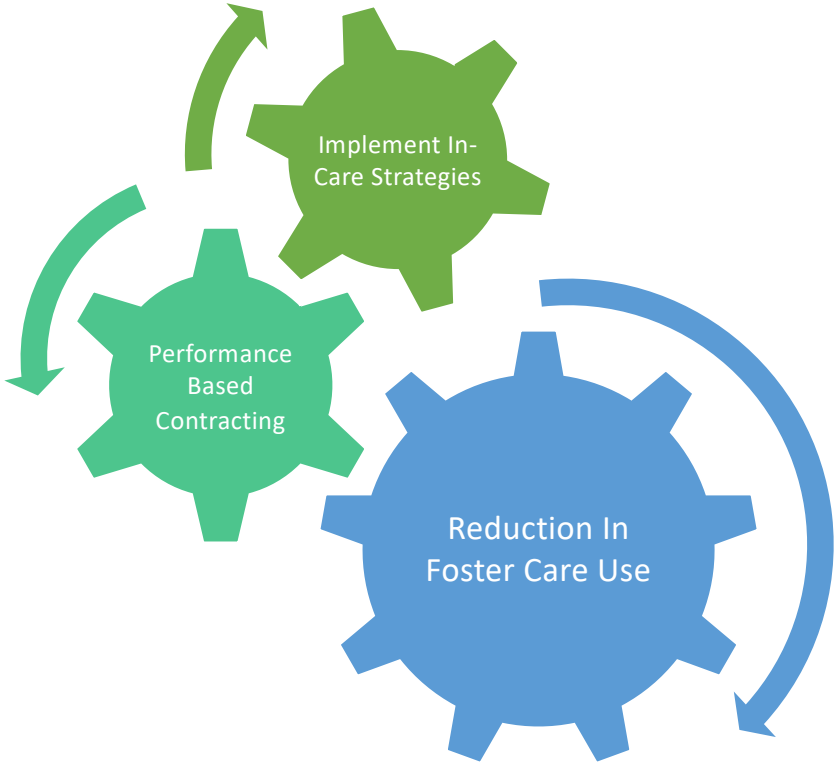
Family First: Momentum For Change

- Currently counties are beginning to review the impact of Family First on their prevention services array (OCFS Regional Meetings)
- While implementation is next year, no need to delay working with providers toward contracts that focus on results as opposed to inputs
- Ensuring that your 'Deep End' of the System is aligned to reduce congregate care and increase timeliness to permanency with the use of kinship care will reduce care days and costs
- Reducing Foster Care correctly can assist in making the system more accountable. Reducing Foster Care Account can minimize other cuts, but also pressure system stakeholders to get strategies done to meet the desired result!

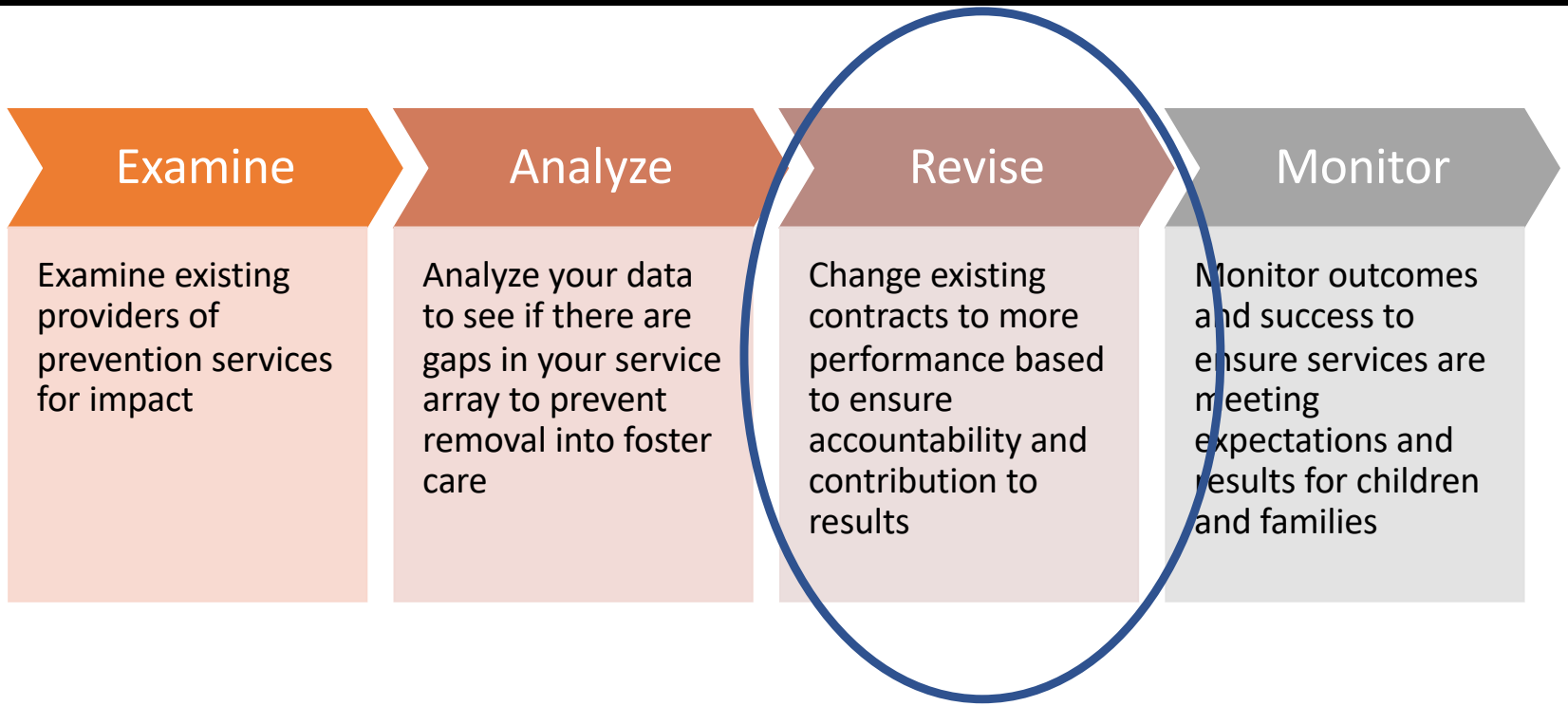
Reducing Foster Care Expenses = Reducing Days In Care



Utilizing Family First to Create Better System Outcomes and Reduce Costs



Reduce Admissions into Foster Care through Prevention Services and Contracts



Working with Service Providers on Performance-Based Contracting

Definition of performance-based contracting:

To date there is no universally accepted working definition for performance-based contracting, or PBC, but Lawrence Martin puts forth a general definition: "*Performance-based contracting is one that focuses on the outputs, quality, and outcomes of the service provision and may tie at least a portion of a contractor's payment as well as any contract extension or renewal to their achievement.*"

(Martin, 2003)

Performance based contracting typically:

- Emphasizes results related to output, quality, and outcomes rather than how the work is performed
- Has an outcome orientation and clearly defined objectives and timeframes
- Uses measurable performance standards and quality assurance plans
- Provides performance incentives and ties payment to outcome

Benefits of Performance-Based Contracts

- Improvement and delivery of better services and thereby improved child outcomes
- Agencies can clarify program goals and expectations
- Fiscal flexibility for providers to achieve desired results
- Groundwork set for program evaluation and monitoring
- Encouragement and promotion of contractors to find innovative and cost-effective ways to deliver services
- Less frequent but more meaningful monitoring

Models of Performance Based Contracting in Child Welfare

Performance based contracting models typically differ in some or all of the following ways:

- Amount and timing of payments
- Extent to which incentives and disincentives were offered
- Level of financial risk assumed by the contractor
- Type of information collected from contractors and they frequency of reports on performance
- Extent that contractor is involved in the development of performance indicators

Structuring the Financial Incentives

- Studies find that it is critical that contracts align financial incentives and maintain a link between and performance and payment to reinforce the importance of achieving outcomes over maintaining children in care.
- Some models simply call for the measurement to be reported on, with performance tied to contract renewal rather than compensation. This can be challenging because it does not disrupt the traditional provider/government relationship and terminating contracts can be costly (new start-up costs, training for new agency, etc.) Focus on changing how you define success and focus your contractors on what is important!

Designing and Implementing a PBC Process

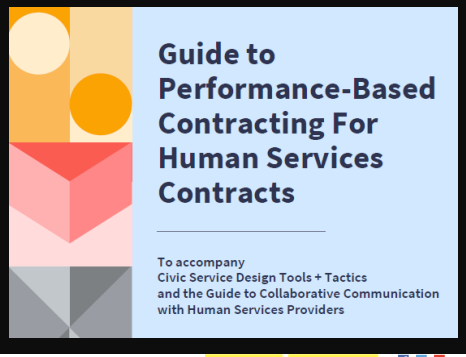
1. Define Success
   - Performance Goals should reflect and reinforce the agency's broader system objectives
   - Contracts should be designed to address specific deficiencies or inefficiencies
   - Involve number of different stakeholders and organizations in planning effort
2. Selection of Performance Measures
   - Performance indicators should be clearly measurable, fair and reliable
   - Define baseline (current performance level) and set level of expected performance
3. Collaboration with Providers
   - Involve providers in the establishment of performance indication and reporting procedures for better buy-in
4. Ensure Capacity in Providers
5. Good Data System for Measuring and Monitoring Performance

Things to Consider

- Make sure that you check with your funding sources that performance-based contracts are allowable
- Be sure to include your County's Procurement and Purchasing Departments along with your Contracting staff early on
- Make sure you review your current contracts and do a crosswalk of what you are funding now (including data and outcomes currently being achieved, funding source, and capacity)
- Convene an initial 'Think Tank' Meeting with stakeholders and key staff

Additional Resources on Performance and Results Based Contracts

- https://www.governing.com/blogs/bfc/col-performance-based-contracting-social-services-outcomes.html
- http://socialinnovationcenter.org/wp-content/uploads/2015/10/QIC-PCW_Performance-based_Contracts.pdf
- https://www.childwelfare.gov/topics/management/administration/agreements/contracting/
- https://www1.nyc.gov/assets/nonprofits/downloads/pdf/Guide%20to%20Performance_Based%20Contracting%20PDF.pdf



Reducing Congregate Care Use (Admissions and Lengths of Stay)

Several Counties are Completing Congregate Care Reviews using various models. Themes of successful review include:

- Ensuring that county works with providers on determining when a child is ready to step down. Too often, only one party makes the decision and disagreement can slow the process down
- Review requires accountability on looking at progress of services, seeking out kin and re-looking at foster home placements (including Emergency Certification)
- Allows Administration to look at children and ask the question not only what is right for the child, but can we provide something new to support a placement that is less costly and better for the child/family. 100% Cost of a good idea is better than a 50% cost of a bad one!

How to Project Foster Care Reductions

Calculating Potential Savings of Reduced Care Days

Costs by Setting Type

Setting Type	Total Actual Days	% of All Days	Total Cost	Avg. Cost Per Day	% Decrease	Updated Care Days	New Cost	Savings	Care Day Reductions	ADP Change	New ADP
					Impact of Reductions in Care Days on Savings						
Institution	18,724	11.0%	$ 8,220,143	$ 439.02		18,724	$ 8,220,143	$ -	-	-	51
Foster Boarding Home/Approved Relative Home/Adoptive Home	137,452	80.7%	$ 4,261,012	$ 31.00		137,452	$ 4,261,012	$ -	-	-	377
Agency Operated Boarding Home	3,979	2.3%	$ 358,110	$ 90.00		3,979	$ 358,110	$ -	-	-	11
Group Residence	-	0.0%	$ -	$ -		-	$ -	$ -	-	-	-
Group Home	3,350	2.0%	$ 395,300	$ 118.00		3,350	$ 395,300	$ -	-	-	9
SILP	4,438	2.6%	$ 599,130	$ 135.00		4,438	$ 599,130	$ -	-	-	12
Other	2,433	1.4%	$ -	$ -		2,433	$ -	$ -	-	-	7
Totals	**170,376**	**100.0%**	**$ 13,833,695**	**$ 81.20**		**170,376**	**$ 13,833,695**	**$ -**	**$ -**	**-**	**467**
Average Daily Foster Care Population	467										

- Step 1: Enter in your data from Session 1 or Actual Costs and Care Days
- Step 2: Enter in the % of decrease in each setting type to see the impact of reductions
- Step 3: Ensure Strategies Can Get You There

Enter From Session 1

Determine What Is Doable for Your Agency

No Entry Required

Foster Care Reductions and Savings Worksheet

Questions?

Poll: What Do You Think You Will Want to Work on in the Next Six Months?