

Advisory Committee

CW 20/21

Meeting #4

July 31, 2018

2:00pm-4:00pm

Manhattan Room

150 William Street, NY

Session Agenda

- Welcome
(Molly Armstrong, Consultant)
- Review Ground Rules, Values, Goals
(Molly Armstrong, Consultant)
- Discuss “Three Umbrella Topics”
(Presented by Molly Armstrong, Consultant)
- Fiscal Parameters Part 1
(Presented by Jane Steinberg, DFS and Judy Berger, DFS)
- Resume Planning Stakeholder Engagement
(Facilitated by Kailey Burger, DPS & Loren Ganoë FPS)
- Wrap Up

Ground Rules

- Cell Phones should be on silent.
- Meetings will start on time.
- Participants will contribute, encourage exchange of ideas and practice active listening.
- Our values and goals will inform our process.
- Participants are invited to ask questions.
- Participants are ambassadors to the larger community and are encouraged to share whatever is discussed with colleagues and stakeholders.
- Participants will provide requested feedback in a timely manner

Goals and Values

- Delivering high-quality foster care and prevention services that are effective in achieving our goals of safety, permanency and well-being for children and families.
- Addressing gaps in our prevention and foster care service array.
- Incorporating family, youth and community perspective in the planning and designing of child welfare services.
- Improving the alignment of financial and contract structures of the system.

Goals and Values

- Increasing cross system collaboration, particularly as our families transition to services in the community.
- Ensuring access to the entire child welfare (foster care and prevention) continuum in every community.
- Integrating language access, equity, cultural competence, and attention to the emerging populations in all of this work.
- Keeping a lens on provider agency organizational health and organizational capacity.
- Exploring the concept of wellbeing to include critical indicators such as educational success and economic empowerment.
- Being mindful of the supports offered to children, youth and families during transitions, and planning for their success in their communities.

Advisory Committee Expectations

- Meet at least four times in the month of July, 2018, and at least once in September 2018, with the ACS CW 20/21 project team, to discuss child welfare program needs in New York City.
- Meetings will be scheduled for two hours and these meetings will start on time.
- Members will review and comment on all relevant prepared materials, and complete any assigned collaborative work in preparation for the Committee meetings. Participants are invited to ask questions about any materials presented.
- Our values and goals, listed below, will inform our process.
- Committee members are serving as ambassadors to the entire provider community and will share all information received. Committee members will engage not only with their own agency, but with all ACS contracted providers, to gather feedback, suggestions, and ideas.

“Three Umbrella Topics”

As we consider fiscal needs & outreach to stakeholders, here's a short overview of our three umbrella topics with examples of each:

Cross-systems collaboration

Increasing economic success for families

Exploring the overlap with homelessness

Improving educational outcomes

Merging mental health access & outcomes

Integrating transitions to community-based services

Organizational health & capacity

Improving retention

Streamlining programmatic & fiscal reporting

Providing up-to-date tools & technology

Addressing salary, capital & overhead

Reconciling evidence-based needs & resources

Continuum of services

Expanding access to the full continuum of services across all communities

Recognizing communities of interest as well as geography

Attending to racial, ethnic, language and emerging community disparities

Adopting wraparound services

Evaluating effectiveness in prevention & foster care programming

Addressing an expanded definition of well-being

Increasing the focus on transition age youth

Fiscal Parameters

THE FIRST PRESENTATION



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Topics that will be Discussed:

- Current System
- Goals for Fiscal Models
- Compliance and Outcomes
- Funding Realities

Current System

Child Welfare System

- The child welfare systems rely on private community-based organizations to provide key services and supports to children and their families in their care, including permanency planning efforts.
- The Administration for Children's Services (ACS) is the Local Social Services District which provides funding for these services.

Child Welfare System

- Funding state child welfare services involves a complicated web of funding streams, including federal, state and local money. The largest source of funding dedicated to child welfare comes from the federal government via formula grants or as federal reimbursement for eligible programs.
- State and local funds are typically used to match federal funds or to draw down federal dollars. The use of state and local funds for child welfare services varies depending on the state and whether it operates a state- or county-run child welfare system.



Current Foster Care System

- Does not pay based on positive outcomes, only pays based on a child in a bed.
- Incentivizes providers to keep youth in care longer.
- Does not allow ACS to continue payment once a youth has been discharged. This is our most vulnerable population.
- ACS will pay 100% of the Rate, but is not always reimbursed from the Federal Government or the State. City Tax Levy (CTL) Funds are used to make up the difference.

Current Foster Care System (cont'd)



Payment to Providers

- Foster Care programs are reimbursed on a rate based system known as the MSAR (maximum State Aid Rate). The MSAR is a daily rate paid for a child in a bed.
- Currently we have 112 individual rates for 28 agencies. With the exception of Regular Family Foster Care (RFFC), providers are not paid the same for same level of service.
- RFFC programs are reimbursed based on a flat rate. All RFFC programs are paid the same rate per child per day. Expenses are reconciled upon audit for underspending.
- Providers are reimbursed based on the number of care days submitted; regardless of eligibility, legal status, or home certification.

Current Foster Care System (cont'd)



Reimbursement to ACS-Foster Care

- New York City is a locality and is subject to New York State Office of Children and Family Services (NYS OCFS) guidelines.
- Even though, ACS is currently participating in a federal IV-E waiver, ACS continues to follow the federal IV-E claiming guidelines.
- NYS OCFS guidelines are driven by federal IV-E regulations. Federal money is paid only for IV-E eligible children and IV-E eligible activities.
- Federal reimbursement is @ 50% for every dollar spent on IV-E children. The other 50% of funding is made up of NYS Block Grant and City tax Levy (CTL) dollars. Since the block grant is capped, once we reach the ceiling CTL is used to make up the difference.
- Youth who do not meet the IV-E requirements are considered non-IV-E eligible or non-participating.
 - Expenses for these youth are funded **only** by State dollars, up to the cap of the block grant and the remaining expense with NYC City Tax Levy (CTL).



Current Prevention System

- Reimburses providers based spending.
- ACS will pay up to 100% of the line item budget, but is not always reimbursed from the Federal Government or the State. City Tax Levy (CTL) Funds are used to make up the difference.



Current Prevention System (cont'd)

Payment to Providers

- ACS advances 3 months of payment in July
- Recoupments begin in January
- Providers invoice via Accelerator Financials
- Providers are reimbursed based on invoice; regardless of eligibility, or full utilization.



Current Prevention System (cont'd)

Reimbursement to ACS-Prevention

- New York City is a locality and is subject to New York State Office of Children and Family Services (NYS OCFS) guidelines.
- NYS OCFS guidelines are driven by federal and State regulations. Currently, Federal money is paid only for Title XX eligible Families up to a set allocation, before ACS can access the Child Welfare Open-ended funding streams.
- Federal reimbursement is @ 100% for every dollar spent on Title XX eligible families. Families not eligible will cost 100% City Tax Levy until ACS spends all available Federal Funds. After Federal funds is exhausted, the Child Welfare Open-ended funding stream of 62% State and 38% City will begin.

Goals for Fiscal Models

Goals for Fiscal Models

- Front Door
 - Prevention emphasized and implemented to best support families so they do not need to enter the child welfare system.
- In Care
 - Families should ***experience seamless service*** coordination. One **worker** and access to support when they need it, how they need it and for how long they need it.
 - Families are at the ***center of decision making***.
- Permanency
 - Children ***experience positive long-term*** well being outcomes.

Goals for Fiscal Models

- ACS Goals:
 - **Incentive based:** Rewards provider agencies for improving permanency, reducing lengths of stay and shifting resources.
 - **Flexibility:** Allow providers to reinvest savings from reducing lengths of stay into better services for children and families.
Evaluate: Tie performance and outcomes to funding and evaluate performance fairly.
 - **Stability:** Should be able to cover fixed costs and operational needs.
 - **Simplicity:** Simple budget and payment structure.
 - **Shared risk:** If not in compliance, providers assume some reimbursement risk. Currently, non compliance can cause ACS to lose State and Federal funds.

Compliance and Outcomes



Compliance

- Compliance measurement:
 - Federal, State and Local rules; laws and regulations; 2 CFR 200
 - Line-item budgets; restricted budgets
 - Per diem requirements
 - Fund accounting
 - City contract requirements
 - Cost Allocation by funding source
 - Direct and indirect Cost
 - Financial Statement
 - Functional expenses
 - Direct Cost
 - Management
 - Fundraising
 - Form 990
 - Char500

Outcomes

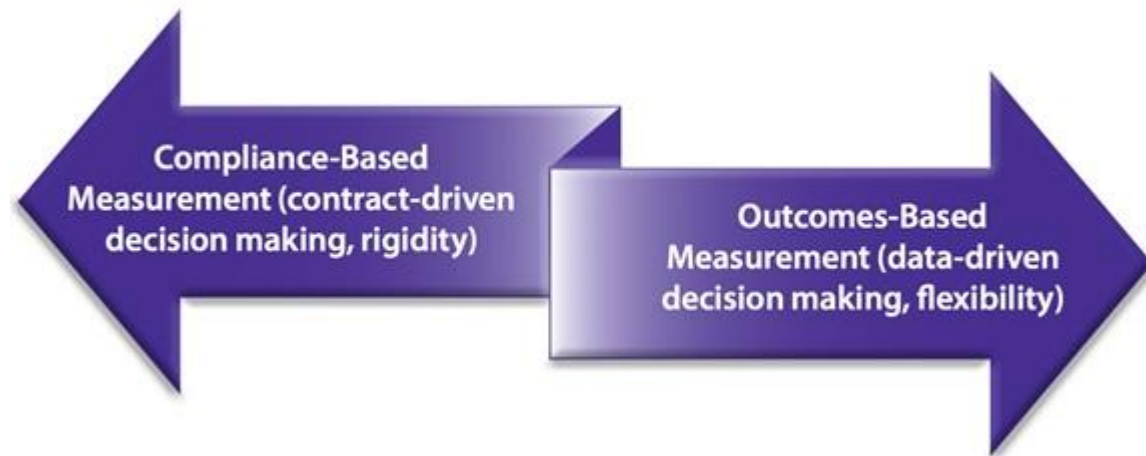
- Outcomes measurement:
 - There are three types of data that are used for outcome measurement:
 - **Inputs:** Resources used to conduct an activity. (The cost both financial and non-financial, such as volunteer time, materials, equipment, etc.)
 - **Outputs:** Measure the activities conducted by the organization, such as the number of classes held, the number of students enrolled or graduated, the number of concerts performed and number of concertgoers attending, the number of members enrolled, and the like.
 - The problem with this type of data is that, while it shows the quantity of program services provided, it does not indicate whether any real benefits resulted. Did the students learn anything? What was the quality of the concerts? How well were the members served?

Outcomes

- Outcomes measurement:
 - There are three types of data that are used for outcome measurement: (cont'd)
 - Outcomes: Measure results; How many discharges to family or Kin? How many adoptions? How many re-entries? How many age out?
 - For example, by how much has the teenage pregnancy rate in a community been reduced through the efforts of a charity whose mission includes educating children about the undesirable results of getting pregnant so young?

Compliance vs. Outcomes

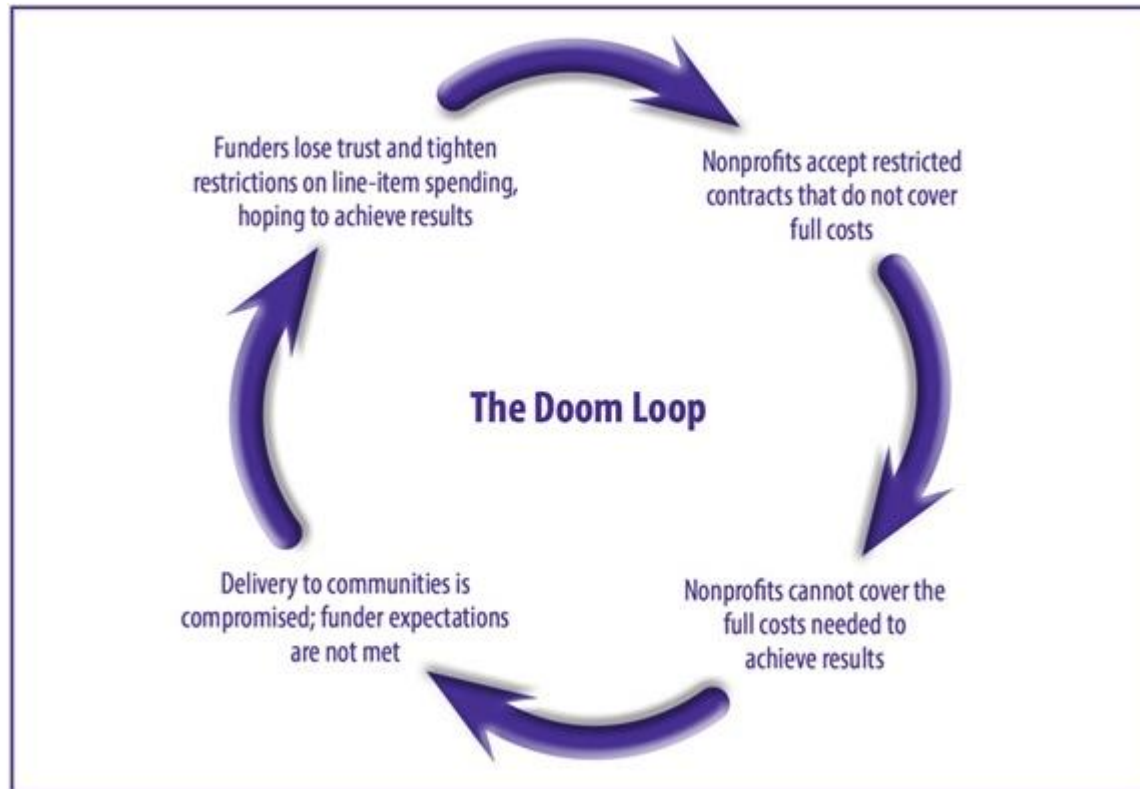
The two measurement standards are at odds with each other.



Compliance vs Outcomes

- **Outcome-driven:** Requires organizations to pivot and shift quickly.
 - Increases or Decreases in Census
 - Drug Epidemics
 - Changes in ACS needs
- **Compliance-driven:** Decision making requires adherence to rigid rules, even in the face of changing needs.
- ***The two are often at odds.***

The “Doom Loop” of Underfunded Full Costs



Funding Realities



"Sure, it's a great invention, but does it comply with all government guidelines?"

Funding Realities

- **Federal categorical grants/entitlement programs:** Spent only for narrowly defined purposes.
 - Federal Funds are compliance driven.
 - Fee for service based. (Per child per day)
 - States receive a level of reimbursements from the federal government for eligible claims.
- **State and local funds:** Typically used to match federal funds or to draw down federal dollars; to meet a required maintenance of effort for a federal program, and to pay for additional costs federal funds do not cover.
 - State Block/Matching Grants
 - Local Tax Levy

Funding Realities Foster Care



- For youth/ families to be IV-E eligible and thereby able to draw down federal funds certain requirements must be met:
 - Income level of the biological family (based on 1996 levels)
 - Legal submissions
 - Home certification
- IV-E eligible Activities support the youth in foster care and the foster parents. These activities consist of:
 - Maintenance for the youth –which includes: providing food, clothing, shelter, daily supervision, school supplies, and personal incidentals.
 - Intake and Planning
 - Initial clothing
 - Childcare – allowing the foster parent to work outside of the home, and partake in activities such as training, school conferences, case conferences, and judicial reviews.
 - Administration and training

Funding Realities Prevention



- According to NYS Social Services Law Prevention services are provided to youth/ families for the purpose of:
 - Averting an impairment or disruption of a family which will or could result in the placement of a child in foster care;
 - Enabling a child who has been placed in foster care to return to his family at an earlier time than would otherwise be possible; or
 - Reducing the likelihood that a child who has been discharged from foster care would return to such care.

Preventive Eligibility

- According to NYS Social Services Law one of the four criteria must be met:
 - The child is at imminent risk of placement into foster care
 - The child is at risk of re-placement into foster care
 - The child may be returned to parent(s), relative(s), or legal guardian(s) ahead of schedule
 - The child has been placed in an Emergency Foster Family Boarding Home
- FASP Documentation for Mandated Prevention cases
- POS Line must be open
- Case contacts are required

Funding Realities: Source of Funds

Foster Care Program

- Federal:
 - Title IVE
 - Chafee Independent Living
 - TANF
- State
 - Foster Care Block Grant
 - Open-Ended Child Welfare Services
- City
 - City Tax Levy

Preventive Program

- Federal
 - Title IV- E (Family First)
 - Title IV-B Subpart 1 & 2
 - Title TXX Child Welfare (TANF)
- State
 - Open-Ended Child Welfare Services
 - Community Optional Preventive Services (COPS)
- City
 - City Tax Levy

Funding Realities: Use of Funds

Foster Care Contracts

- Development of the case plan
- Case management and supervision
 - Personnel Cost
 - Other than Personnel Cost
- Recruitment and licensing of foster homes
- Data collection and reporting
- Foster Care parents payments
- Independent Living
- Day Care Services

Preventive Contracts

- Development of the case plan
- Case management and supervision
 - Personnel Cost
 - Other than Personnel Cost
- Data collection and reporting
- Day Care Services

Funding Realities in Foster Care



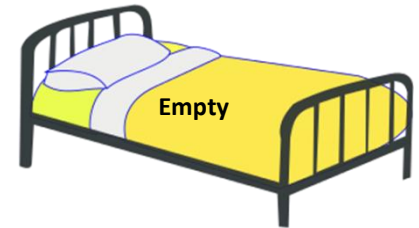
IV-E Eligible

- Provider paid 100% of MSAR rate. If rate is \$100 per day, Provider paid \$100.
- ACS reimbursement based on \$100 per day:
 - Federal- \$50
 - State- \$25 (up to the block grant)
 - City \$25 (and increases to cover State shortfall)



Non IV-E Eligible

- Provider paid 100% of MSAR rate. If rate is \$100 per day, Provider paid \$100.
- ACS reimbursement based on \$100 per day:
 - Federal- \$0
 - State- \$50 (up to block grant)
 - City \$50 (and increases to cover State shortfall)



Empty Bed

- Provider paid \$0, even though the MSAR is \$100 per day.
- ACS reimbursed \$0.

Funding Realities in Foster Care

- Based on our entire system only 46% of our kids are IV-E eligible
 - FBH – 56%
 - Res Care – 32%

Funding Realities in Foster Care



ACS's limitations include:

- Federal guidelines require a per diem rate
- City guidelines require recoupment for underspending
- The reconciliation process is complicated. We do not want to overpay providers and then have them owe ACS money.
- ACS staff would have to monitor daily spending to ensure all items are allowable.
- Complicated Audit process.
- SSPS (Statewide Services Payment System) needs to be the system of record.
- Two Year IV-E claiming process. Additions and subtractions can be made to the SSPS system for up to two years which can further complicate rate setting and claiming.
- Uncertain impact of Federal Family First Legislation

Funding Realities in Prevention

- Federal funding
 - ACS must draw down \$193 million from Title XX first before we can use NYS Open Ended Child Welfare Funding
 - Only 70% of our Prevention families qualify for Title XX funding.
- Open Ended Child Welfare Funding
 - When funding became open ended it was funded as 35% City and 65% State; now it is funded at 38% City and 62% State.
 - Preventive eligible activities include items such as: wraparound services to support the youth returning home, up to six months of aftercare services, training and educational services, and housing subsidies.

Funding Realities in Prevention



ACS's limitations include:

- Must have child specific backup
- Required to open POS lines and have case contacts
- City guidelines require recoupment for underspending
- City guidelines do not allow funds to roll between fiscal years
- NYC OMB expects outcomes
- Uncertain impact of Federal Family First Legislation

Stakeholder Engagement

Overview of the Stakeholder Engagement

- For prevention and foster care services, the engagement targets and guiding questions are detailed the two facilitation guides we created.
- Today we will work on these guides with the Committee to ensure we are asking all the appropriate question to the identified stakeholders.
- Please help us in pinpointing opportunities in the next 6 weeks that would enable us to engage each stakeholder group in a co-facilitated session around these topics for each program.

Prevention and Foster Care Stakeholder Engagement

- Identified Stakeholders for Committee engagement:
 1. Agency Staff (Both Front Line and Leadership)
 2. Families and children (Foster Care Families and Biological Families)
 3. Agencies Not Involved with the Advisory Committee

Building out the Prevention and Foster Care Guides

In this activity we will be brainstorming as a group questions and group activities you may want to use with each of the particular stakeholders.

Wrap up and Next Steps...

We wanted to share that we have planned two more meetings in the month of September:

9/12- Advisory Committee Findings Presentations

9/27-Fiscal Models Presentation