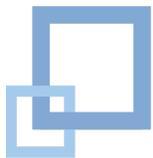




DEEP DIVE INTO THE FOSTER CARE SYSTEM

DCFS Report to the Legislature
Current Status - December 2018



Summary of recommendation 1:

Improvements were requested related to data tracking focused on enhancing how child placements are assessed.

Placement Process, DCFS Update, Dec 2018:

DCFS completed an analysis of the placement process and identified the enhancements needed to improve the process overall. DCFS has also identified adjustments required for the SAFE system to capture better data and improve the existing placement module.

Work completed includes:

- Researching the data elements gathered from the last 5 years and determining where data gaps exist;
- Examining the current placement process and determining how to create efficiencies and improvements;
- Meeting with stakeholders, i.e. DCFS staff and community partners for input on the placement process and needed improvements;
- Consultations from other states regarding how to effectively capture data and improve the placement process.

As a result of the analysis, DCFS has conceptualized a placement process and SAFE module that would have the ability to capture the elements requested in the recommendations.

In July of 2018, DCFS received new federal regulations for the Comprehensive Child Welfare Information System (CCWIS), and is currently in the process of completing significant alterations to database architecture. Changes to the placement module will occur once DCFS is in compliance with the CCWIS regulations. Any efforts to upgrade placement in the existing structure prior to CCWIS upgrades would not be efficient, as it would have to be redone. The Division will also be prioritizing changes in SAFE to comply with the Family First Prevention Services Act (FFPSA). Work is estimated to begin on the placement module in the Fall of 2019.

Summary of recommendation 2:

Review the proctor care system and determine if private proctor care would be cost-effective, and how often children are placed in proctor care solely because of a lack of lower level foster families.

Proctor Care, DCFS Update, Dec 2018:

DCFS completed a cost analysis of proctor care and found that to serve a child for a year in a proctor level home is only slightly more costly than a level 3 foster home, with the calculated cost difference of \$1,774 per 365 day length of stay or \$4.86/day (see proctor care cost analysis in Appendix A).

It is worth noting that at the time that the recommendations were provided, DCFS was providing oversight of the proctor care contracts and requirements. The contracting and oversight processes for proctor care has shifted to the Office of Quality and Design (OQD) within the Department of Human Services (DHS). Significant work is progressing to improve the quality, efficiency, and cost-effectiveness of the proctor level of care. OQD will soon be overseeing a redesign of the contracting requirements, with a focus on the principles of performance-based contracting.

DHS is also working on implementing an improved audit process of proctor providers through the Office of Licensing to ensure compliance with health and safety standards. Contracts and services will be strategically implemented in order to better meet the needs of children after an analysis by DHS and OQD to identify any gaps in services and supports within the available continuum of care. DCFS anticipates that the FFPSA requirements, along with the changes being made by OQD, will significantly improve the cost-effectiveness of services provided at the proctor level of care.

In order to determine the extent to which children in custody are placed in proctor care due only to insufficient availability of lower level foster families, DCFS will incorporate data elements into the new placement module in SAFE.

Summary of recommendation 3:

Consider whether to increase the recruitment and retention targets for Utah Foster Care, and consider whether contracting for these services is cost effective based on a comparison of UFC and DCFS employee compensation and overhead costs.

Utah Foster Care, DCFS Update - Dec 2018:

Utah Foster Care is a valuable partner in recruiting and maintaining a support system of foster families who can meet the needs of children entering DCFS care. The Division pays UFC approximately \$3.1 million per year to operate the foster parent training program. If DCFS were to bring the program in-house at the same level, it would cost the Division \$3.4 million per year (see cost analysis in Appendix B). Utah Foster Care Foundation has the ability to fundraise more effectively by leveraging their nonprofit status, allowing their organization to raise between \$300k and \$400k each year to provide for foster parents and children

DCFS raised recruitment targets twice, and UFC successfully exceeded those targets. DCFS is continuing to have conversations with UFC to bring the recruitment targets more in line with the numbers of families exiting the foster care system.

DCFS and UFC have formally agreed to continue evaluation of the recruitment process in FY19 in order to determine if any improvements can be made in that area. In order to reduce the rate of foster families exiting the system, DCFS and UFC have also agreed to conduct an analysis of retention services over FY19 to determine what improvements can be made, and if additional supports and resources can be offered.

Summary of recommendation 4:

Provide a budget plan for service continuity related to the IV-E waiver funds and the resulting budgetary impact of eligibility trends.

Title IV-E Waiver, DCFS Update - Dec 2018:

The Division has received approval for a one-year extension to Utah's Title IV-E waiver from the Children's Bureau office of the Administration for Children and Families, a division of the U.S. Department of Health and Human Services. This additional 12 months of IV-E funding allows the Division to continue its efforts to strengthen in-home services with the intent of reducing the need for foster care. The new end date for the waiver will be Sept. 30, 2019.

The extension also provides for a small final year increase in IV-E waiver revenues over last year. DCFS has been managing waiver resources and strengthening in-home services to prevent major cost increases in foster care overall. These efforts will allow DCFS to utilize the funds from the Division's capped allocation for transitioning to Family First Prevention and Services Act (Family First) requirements.

This significant new Federal legislation allows us to build upon waiver efforts to implement evidence-based services in the areas of mental health and substance use disorder prevention and treatment, and in-home parent skills-based training for parents, kin caregivers, and children to prevent entry of children in to foster care. The law also adds requirements to limit use of Federal funds for foster children in residential treatment programs.

To transition from the waiver to the Family First environment, DCFS has focused on the following:

1. Establish contracts to enable reunification of foster children with their parents in family-based residential substance use treatment programs (implemented in Nov 2018).
2. Support residential treatment programs by providing one-time financial assistance to help them meet new accreditation requirements under Family First. Contract amendments to allow for this funding should be completed in December 2018, with funding available through September 2019.
3. Contract with the University of Utah to provide evaluation services to help specific service providers meet evidence-based requirements under Family First. Contract development is in process.
4. Coordinate with DHS and DOH to create supportive structures to meet requirements of Federal IV-E funding to be able to claim for residential care placements for more than 2 weeks.
5. Utilize waiver funds for training to help providers in Utah develop new in-home evidence-based programs into Utah.

Since the start of the IV-E waiver, the Division has seen a decrease in IV-E eligibility rates, according to the July 2017 Budget Deep Dive report. While this decrease will result in a

reduction of IV-E foster care maintenance and administration revenues for the Division, the impact will be softened by claiming IV-E waiver funds in the first quarter of FY 2020. This will provide a transition from our IV-E waiver environment into the Family First environment, and will allow the Division to absorb the impact of the waiver's end without requesting additional funds to assist with the Family First law's implementation in FY 2020.

Appendix A - Proctor Care Cost Analysis

Average Cost per Client Proctor (DIB/DPB) vs. Foster Care Level 3* (FC3) (Includes RFC** costs)

Foster Care Level 3 (FC3)

Count of RFC	Total Sal/Ben	Avg of Salary/Benefits
49	3,669,928.77	74,896.51
Total Units for Foster Care	430,119	
Cost of RFC per Unit	\$8.53	
Total UFCF contract amount	\$3,133,977.00	
Total Units for Foster Care (Lvl 1-3)	430,119	
UFCF Cost per unit	\$7.29	
FC3 Avg Daily Rate	\$30.59	
Adjusted FC3 Rate Per Day	\$46.41	
Days in Year	365	
FC3 Rate Annualized	\$16,940	
Total Cost	\$16,940	

Based on FY17 data

As a Proctor Agency is licensed as a child-placing agency, they recruit and retain their own proctor parents, therefore RFC work would be provided by them and would be part of their daily rate.

Proctor Care (DIB and DPB)	Daily Rate	Difference
DIB/DPB Average Rate Per Day	\$51.27	\$4.86
Days in Year	365	
DIB/DPB Average Rate Annualized	\$18,714	Yearly Difference
Total Cost	\$18,714	\$1,774

* Foster Care Level 3 used as a comparison as they are closer in level to type of client served.

** The RFC (Resource Family Consultant) provides support for placements with resource families that are licensed through the Department of Human Services, Office of Licensing for general foster care (LFC). This section does not pertain to support for resource homes which are certified through contract providers or resource homes that are licensed for a specific child (LSC). Under the conditions of the contract, contract providers are responsible to provide support to the homes they certify. Child and Family Services staff, who possess an LSC license, with an expertise in supporting kinship homes will provide the support for families.

Appendix B - UFC Cost Analysis - Estimate of Expenses for Foster Care Training

	Expenses	Recruitment	Education	Retention	Management	Total
1 Salaries	\$1,746,465.84	\$673,932.52	\$492,601.87	\$364,497.07	\$215,434.37	\$1,746,465.84
2 Fringe Benefits	\$1,190,516.62	\$441,973.86	\$16,977.65	\$729,092.89	\$2,472.23	\$1,190,516.62
3 Travel/Transportation (Mileage etc)	\$98,143.00	\$34,375.15	\$19,642.94	\$20,465.39	\$23,659.52	\$98,143.00
4 Space Costs (rent, mort, lease)	\$24,000.00	\$8,824.51	\$5,631.59	\$4,695.10	\$4,848.80	\$24,000.00
5 Direct Services	\$160,000.00	\$49,823.55	\$61,964.41	\$25,008.71	\$23,203.33	\$160,000.00
6 Communications (tele, postage, etc)	\$39,642.00	\$15,013.44	\$10,262.27	\$8,410.63	\$5,955.66	\$39,642.00
7 Equipment/Furniture	\$47,306.00	\$9,371.67	\$4,209.31	\$29,522.93	\$4,202.09	\$47,306.00
8 Supplies/Maintenance	\$16,000.00	\$6,256.40	\$1,739.04	\$3,400.24	\$4,604.32	\$16,000.00
9 Misc	\$3,000.00	\$1,070.16	\$752.33	\$552.08	\$625.43	\$3,000.00
10 Conferences/Workshops	\$5,700.00	\$2,126.26	\$1,357.17	\$1,130.91	\$1,085.66	\$5,700.00
11 Professional Fees/Contract Services	\$4,175.00	\$1,481.06	\$928.98	\$817.33	\$947.63	\$4,175.00
12 Printing/Publications	\$49,000.00	\$14,933.57	\$12,695.87	\$20,454.92	\$915.64	\$49,000.00
13 Software/Tech	\$12,000.00	\$3,879.03	\$5,439.37	\$1,942.73	\$738.86	\$12,000.00
14 Community Outreach	\$55,370.00	\$10,739.63	\$26,778.22	\$0.00	\$17,852.15	\$55,370.00
Total	\$3,451,318.46	\$1,273,800.81	\$660,981.02	\$1,209,990.94	\$306,545.70	\$3,451,318.46

Current Contract (UFCF) \$3,133,977.00

Cost Difference for DCFS to Operate \$317,341.46

The cost analysis shows what DCFS would estimate the expenses to be if the Division operated the Foster Parent training program internally. Estimates are based upon 2015 through 2017 UFC financial statements in combination with informed estimates from the Division.