

What's in it for kids?

Analysis of the proposed FY 2010 Child and Family Services Agency (CFSA) budget

Budget analysis

The mayor's proposed FY 2010 budget for the Child and Family Services Agency (CFSA) is \$284 million, 2.2% less than the FY 2009 approved budget of \$290.6 million.

Changes made between the FY 2009 and proposed FY 2010 budget fall into one of three categories: baseline changes, efficiencies/cost savings and policy initiatives. Examples of the changes highlighted by the budget chapter are listed here. The complete list of these changes is found on pages E-25 through E-30 of the CFSA budget chapter.

Policy initiatives

- **UPDATED APRIL 8:** An addition of one-time funding (\$818,959) for the build-out costs of the new Youth Transition Center. The Center, a model of a best practice in serving and empowering youth, is a collaborative effort involving CFSA, the Department of Employment Services (DOES) and the Department of Youth Rehabilitation Services (DYRS) "Case Management and Service Coalition program, which will provide case management services and conduct Youth Family Team activities for 90 – 100 youth and their families." (Children's Budget, p. 16) The Center is being housed at the Merritt school building. The space will also be home to some staff in CFSA's Office of Youth Development.

CM Wells and members of the public are concerned about the lack of details about CFSA offerings and plans to sustain the Center in the out years. Mr. Wells was particularly concerned about the absence of private sector partners, especially nonprofit providers who would bring important experience to the mix.

- **UPDATED APRIL 8:** The mayor's proposed budget included a \$544,000 cut from the Community Based Program for the Healthy Families/Thriving Communities Collaborative Council. Remaining funding was to be dedicated to "focus on documentation, quality assurance, evaluation and training supports to the Healthy Family/Thriving Communities Collaboratives." (p. E-26)

CM Tommy Wells, Chair of the Committee on Human Services, directed the Collaborative Council and the seven Collaboratives to develop an alternative plan for the cut, to be spread among the eight nonprofit organizations. CM Wells instructed the Collaborative Council to present the plan to CFSA; the CM expects CFSA to accept the plan.

UPDATED: April 8, 2009

Proposed budget

Go to budget.dc.gov, then to Fiscal Year 2010. Next, click on Volume 3 and go to document page 145 (E-17). Additional information is in Volume 5, document page 175 (E-15).

Council budget hearing

Watch online by going to oct.dc.gov, selecting "On Demand Video" in Channel 13. Go to the week of March 30 and select the CM Wells hearing on April 3.

More information available from

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- Stimulus funds in the amount of \$2.5 million to aid in the Medicaid billing challenge as well as supporting Medicaid-allowable work such as training for workers and foster/adoptive parents and services for children and youth in foster care.
- \$794,000 is transferred out of the Out of Home Care and Support Program. This is a cost savings from utilization of Medicaid Psychiatric Residential Treatment Facilities under a new rate structure. According to "Enhancement to the Medicaid Program":

Payment rates are scheduled to increase by 37.5% for the second half of FY 2009 and will be fully implemented for FY 2010. In addition, DHCF will assume responsibility for paying some claims for RTCs on behalf of sister agencies. Currently, the sister agencies fund these payments 100% locally. Once payments are transferred to DHCF, the District will receive a federal match for these services. (http://grc.dc.gov/grc/frames.asp?doc=/grc/lib/grc/pdf/medicaid_enhancement.pdf)

Budgets for the Child and Family Services Agency by Program, FYs 2008 - 2010

Program	FY 2008 Actual (\$)	FY 2009 Approved (\$)	FY 2010 Proposed (\$)	Change FY 2009 to FY 2010 (\$/%)
Agency Management Program	30,559	32,767	31,950	-818/-2%
Agency Financial Operations	2,214	2,509	2,571	62/2%
Child Welfare Program	47,078	43,774	46,962	3,188/7%
Out of Home Care and Support Program	139,483	144,463	138,406	-6,056/-4%
Adoption and Guardianship Subsidy Program	47,094	39,868	39,074	-794/-2%
Community Based Program	29,536	27,176	25,121	-2,055/-8%
Year End Close	37,672	0	0	-
UPDATED MARCH 31: TOTAL	333,636	290,557	284,083	-\$6.5m/-2%

UPDATED MARCH 31: The 15% drop between FY 2008 and FY 2010 can be attributed to an influx of funding in FY 2008 following the Jacks tragedy as well as the requirement to "book" certain Medicaid disallowances from prior years. These two changes exploded the agency's budget from an approved \$280.9 million to the actual of nearly \$334 million. These disallowances meant that the city would not receive the Federal funds it had anticipated and thus Local funds were injected into the budget to cover the rejected Medicaid expenses. The changes made to the approved budget are shown in the line "Year End Close." This language is related to changes made during the agency's annual audit.

The District will be using a new methodology to project Medicaid funding in FY 2010; it will change the way the Medicaid Rehab Option is used and billed. This change requires local (Department of Health Care Finance) and federal (CMS) approval. The one used in FYs 2008 and 2009 is no longer beneficial to the District (there are too many disallowances using the old methodology).

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- **UPDATED MARCH 31:** CFSA has allocated \$246,000 for build-out costs associated with the co-location of the Special Abuse Unit at the new DC Children's Advocacy Center (Safe Shores, DCCAC) in Bundy School. This is a one-time allocation. Further, \$350,000 in additional funding will be directed to support the legally required Multidisciplinary Team (MDT) approach managed by Safe Shores. In this way, the "District will continue its effort to become a model jurisdiction by expanding service capacity with construction of a new CAC location." (Children's Budget, pp. 14-15)
- **UPDATED APRIL 8:** \$492,000 is transferred out of the Out of Home Care and Support Program. This money pays for the medical screens required prior to out-of-home placements.

According to CFSA, medical screens at intake are performed in the emergency department at Children's Hospital; CFSA contends this is not an appropriate way for the screens to be performed. That being said, CFSA agrees with CM Wells' statement that the DC KIDS health care program for children and youth in out-of-home placements is serving young people in out-of-home placements well.

Efficiencies/cost savings

- \$383,000 is saved by eliminating non-social work vacant positions in the Child Program (\$280,000) and the Out of Home Care and Support (\$103,000).

Baseline budget changes

- The one-time \$19 million additional allocation will enable CFSA to maintain direct services for children and youth to fill the gap created by changes being made to the type of Medicaid funds CFSA will bill the federal government for.

UPDATED APRIL 8: Other changes

- The proposed FY 2010 budget support act makes the Grandparent Caregiver Pilot Program a permanent program. Created in 2005, the program provides financial assistance (TANF, welfare) to adults caring for their grandchildren, great grandchildren, great nieces, or great nephews. Eligibility is largely determined by the adult's income; incomes must no greater than 200% of the poverty level for the family size.

CFSA increased funding for the program by \$185,000 in the FY 2010 proposed budget. CFSA has reported that between 30 and 40 families will benefit from the increase; community members, including the AARP, dispute this. CM Wells is seeking additional information.

Outstanding issues for DC ACT

- **UPDATED APRIL 8: Federal claiming, improving billing Medicaid** — CFSA is taking the issue of federal claiming of Medicaid head-on in FY 2010. Over the years, as evidenced by the continuing write-offs of Medicaid claims, CFSA has been challenged to sufficiently document services provided to children. Starting in the third quarter of FY 2009, CFSA has stopped billing Medicaid and transitioned to billing Title IV-E. There are benefits to Title IV-E; less documentation is the most significant one.

CFSA proposes to transition back to billing Medicaid in FY 2011 having developed a successful methodology with the assistance of the Department of Health Care Finance (DHCF). Inasmuch as DC ACT agrees that the technical assistance provided by DHCF will help CFSA succeed in improving Medicaid claiming, the fact is that CFSA must pay close attention to its staffing, training and quality assurance related to billing Medicaid and other federal sources.

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Selected Agency Performance Measures Related to Children and Youth in the Child and Family Services Agency Budget, FYs 2007 - 2011

Agency Performance Measure	FY 2007 Year-End Actual	FY 2008 Original Target	FY 2008 Year-End Actual	FY 2009 Projection	FY 2010 Projection	FY 2011 Projection
Percent of CFSA children/youth in foster care	50.5%	NA	55.9%	NA	NA	NA
Percent of CFSA children/youth receiving in-home services	48.1%	NA	43.2%	NA	NA	NA
Percent of children/youth in foster care placed with kin	17.5%	16%	14.7%	20%	22%	25%
Percent of children/youth with a permanency goal of adoption in an approved adoptive placement within 9 months of their goal becoming adoption	57.7%	100%*	54.4%	100%*	100%*	100%*
Percent of children/youth in foster care who achieve permanency	46.9%	45%**	40.6%	48%^	50%^	52%^
Total number of licensed foster homes^^	903	920	912	930	940	955
Average caseload per worker	10	11	11	15	15	15

* FY 2008 projection reflects LaShawn v. Fenty Amended Implementation Plan (AIP) which requires 100% compliance by the end of 2008.

** The rate of child abuse/neglect is based on the number of substantiations in FY06 (2,889), divided by the child population (114,881), multiplied by 1,000.

^ Multi-composite national standard measure calculating the percentage of youth that have exited care at the end of the fiscal year with the following exit reasons: adoption, guardianship and reunification.

^^ This measure is reported to CFSA by ACF. The latest numbers reported are 2006. CFSA submitted data to the National Child Abuse and Neglect Data System (NCAN-DS) on March 31, 2008. The data should be available in September 2008. (Mayor Adrian Fenty, *Government of the District of Columbia FY 2010 Proposed Budget and Financial Plan*, Vol. 3, March 20, 2009, p. E-31)

Outstanding issues identified by community and CHS

A number of issues were identified by the community and Committee on Human Services at the April 3 CFSA public hearing. Some were about unfunded or underfunded needs while others concerned the presentation of too little information on which to make an informed decision about the adequacy of the budget. Some of the issues are captured here:

- Youth Transition Center and the role of the private sector, particularly Progressive Life
- Medicaid/Title IV-E billing
- Grandparent Subsidy Program (formerly known as the Grandparent Caregiver Pilot Program)
- Medical screens at intake
- Collaborative Council funding, evaluation of the work of the Collaboratives
- Rapid housing funding
- Congregate care for young children
- Permanency, especially for older youth; services for older youth including those provided by Kid-Save
- Group home rates
- Truancy and educational neglect, CFSA memorandum of understanding (MOU) with DCPS; responsibilities of charter schools
- Child abuse and neglect prevention
- Contracting, performance-based contracting
- Adoption
- Maximization of Federal funds
- Mandated reporting
- Intake, particularly whether CFSA has resolved those with no fixed address
- FTE changes
- Refugee minors, program moving to the Department of Human Services
- Case management vis a vis the budget
- Contracting for special services to youth such as mentoring
- Nurse Family Partnership (NFP)
- CFSA relationship with Department of Human Services (DHS), particularly homeless services
- Transportation for special ed kids
- Overtime

Advocacy

- **Next steps** — DC Action for Children is holding a follow-up event to the briefing it co-sponsored on the proposed FY 2010 budget for CFSA. Hold Friday, April 17 from 2:00—3:30 pm. Details to follow.
- **Mark-up of CFSA proposed budget** — The Committee on Human Services will mark the CFSA proposed budget up on April 30 from 10:00 am—Noon in the Council Chamber (Room 500) in the JAWB.

The public is not allowed to comment or testify at the mark-up. Only Councilmembers are allowed to speak. But members of the public may follow along with the changes being made in the budget proposed by Mayor Fenty by getting a copy of the draft committee report either before the mark-up of the day of the mark-up.