Hidden in Plain Sight
Accessing Funding for Youth Permanency Services

- **Concept**: What you see matters
- **Context**: Reinvesting savings achieved through Specialized Youth Permanency Services and Family Finding
- **Shiny Object**: Fiscal crisis got everyone looking at ways to maximize resources and cut costs
- **Strategy**: Incentives, leverage points & other strategies for adoption of methodologies in your jurisdiction

About This Webinar

- You will be able to see the webinar slides on your computer. To hear the presentation, either listen through your computer speakers or use the Audio portion of the GoToWebinar control panel and switch to Use Telephone. You’ll then call the number listed in the control panel and enter the PIN.
- All participants are muted throughout the presentation.
- If you have questions, please type them in the Questions box at the bottom of the GoToWebinar control panel and click Send. We’ll take a few opportunities during the session to ask the questions aloud so everyone can hear the answers.

Mission Focused Solutions
We open doors to permanent families for children in foster care

Fiscal Strategies

- Cutting Spending
- Reduced Costs

Cutting spending often drives up costs

- Cutting spending by closing medical clinics
  - Drives up costs from increased Emergency Room usage
Cutting spending for child welfare...

Drives costs ↑ with longer stays, placement instability, poor permanency outcomes

Reduce Costs by moving children from expensive foster care...

Age 12+
CA Group Home Lvl 12
$104,571

Age 12+
CA Foster Family Agency
$23,537

...to permanent families

Annual savings

Adoption from Group Home Lvl 12
$104,571 - $9,827 = $94,744

Adoption from Agency Foster Care Home
$23,537 - $9,827 = $13,710

saved each year youth would have remained in care

Think Like a Venture Capitalist

Cost Components:
• Placement Type
  • Age of Child
  • Time in Care

Best Outcomes have Lower Costs

Adoption

Reunification

Kin Guardianship

Mission Focused Solutions
We open doors to permanent families for children in foster care
www.missionfocused.org
Who Saves?

<table>
<thead>
<tr>
<th>CA Adoption from Private Agency Foster Home</th>
<th>Total</th>
<th>County</th>
<th>State</th>
<th>Fed</th>
</tr>
</thead>
<tbody>
<tr>
<td>FC Agency Placement Payment age 12+</td>
<td>$23,537</td>
<td>$9,462</td>
<td>$6,308</td>
<td>$7,767</td>
</tr>
<tr>
<td>Adoption Subsidy (100% FFP)</td>
<td>$9,827</td>
<td>$1,432</td>
<td>$4,297</td>
<td>$4,098</td>
</tr>
<tr>
<td>Annual Cost Savings (A-B)</td>
<td>$13,710</td>
<td>$8,030</td>
<td>$2,011</td>
<td>$3,669</td>
</tr>
</tbody>
</table>

Destination Family
Youth Permanency Mental Health Program (CA)
Real case examples

<table>
<thead>
<tr>
<th>Age @ Adoption or Guardianship</th>
<th>County Savings Thru Age 18</th>
<th>State Savings Thru Age 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mary</td>
<td>$32,310</td>
<td>$17,866</td>
</tr>
<tr>
<td>Sylvan</td>
<td>$18,954</td>
<td>$12,636</td>
</tr>
<tr>
<td>Alysa</td>
<td>$6,146</td>
<td>$4,098</td>
</tr>
<tr>
<td>Total County and State Savings</td>
<td>$57,410</td>
<td>$34,600</td>
</tr>
</tbody>
</table>

Think Like a VC

Enter Youth Permanency Movement

Challenged prevailing beliefs

Changed Organizational Culture

Mission Focused Solutions
We open doors to permanent families for children in foster care
www.missionfocused.org
California Rich in Venture Capital for Youth Permanency

7 Youth Permanence Models received a total of $30,000,000 in start-up capital

Remember the VC?

One project’s grant proposal included a commitment from the county to seek permission to reinvest savings achieved to allow the project to continue.

Mission Focused Solutions
We open doors to permanent families for children in foster care
www.missionfocused.org

86% of youth served in Sacramento & Nevada Counties achieved permanence.
The project documented savings achieved throughout the 5-year project.

Example: (Based on 2010 Sharing Ratios)

<table>
<thead>
<tr>
<th>Annual Placement Cost Savings:</th>
<th>Total</th>
<th>County Share</th>
<th>State Share</th>
<th>Federal Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Group Home Placement Cost for Youth</td>
<td>$95,004</td>
<td>$35,627</td>
<td>$23,753</td>
<td>$35,627</td>
</tr>
<tr>
<td>Average Adoption subsidy (7)</td>
<td>$12,096</td>
<td>$1,663</td>
<td>$4,990</td>
<td>$5,443</td>
</tr>
<tr>
<td>Placement Cost Savings (A-B)</td>
<td>$10,700</td>
<td>$37,259</td>
<td>$28,741</td>
<td>$42,670</td>
</tr>
</tbody>
</table>

Permission to reinvest was sought and given.
- Savings reverted to the General Fund,
- Were leveraged & reinvested
- Project continues 6 yrs. past sunset
- Reinvestment funds have expanded # of youth served and increased savings

Results:
- Reduced costs
- More teens with permanent families
- Services paid for themselves after start-up investment period in the same fiscal year

Considerations for Reinvestment

- Who reinvests? County, State, both?
- Provide start-up funds with a requirement for reinvestment
- Leverage reinvestment using Medicaid EPSDT for clinical components of youth permanency work

What is EPSDT?

- Early Periodic Screening Diagnosis & Treatment
- A required service under Medicaid for categorically needy individuals under age 21
- Includes physical & mental health
- Covers all children in foster care who show medical necessity (diagnosed condition)
- Wide range of diagnosis common in older youth in foster care: depression, oppositional/defiant, anxiety, PTSD, etc.

See Appendix B
Rehab Model

- Individual/group rehabilitation:
  - A service activity that includes, but is not limited to, assistance in improving, maintaining, or restoring a child, or group of children's functional skills, daily living skills, social and leisure skills, and grooming and personal hygiene skills; obtaining support resources; and/or obtaining medication education.

Challenges to Reinvestment

- Departmental Silos
- Savings may not accrue to department doing the work
- Multiple departments may need to collaborate, both in program and fiscally
- Net savings accrue to the general fund

Dilemma

- Savings achieved by DFS reduce costs to Department of Human Assistance (DHA)
- Funds not spent by in DFS revert to County General Fund
- Board of Supervisors controls General Fund
  (Hint: get above the fiscal silos)

Sacramento’s Strategy

Budget-Neutral County Reinvestment of Savings Achieved Through Youth Permanency

1. DFS provides youth permanency services
2. DHA transfers funds to DFS to pay for 50% EPFOY Match
3. DHA leverages state & federal EPFOY Match
4. State & Federal EPFOY Match

How We Did It

Replication strategies:
- Document Savings
- Establish relationships
- Engage leaders at all levels
- Publicize program outcomes and fiscal success
- Actively participate in county budgeting process
- Acknowledge county, give credit
- Develop network to advocate to Board of Sups
- Persevere

Contact Info

- Gail Johnson Vaughan
  - gail@missionfocused.org
  - 530-477-2900
- Jeff Landre
  - jeff@missionfocused.org
  - 916-847-3735
- www.missionfocused.org
Appendix A
Sample Annual Savings Achieved Through Successful Youth Permanency Programs

Typical North Carolina Savings
Per Child / Per Year
Youth age 13-20 year old (June 2013)
(Savings accrue each year the child would have remained in foster care)

<table>
<thead>
<tr>
<th>Placement Type</th>
<th>Cost</th>
<th>Medicaid</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adoption from Foster Family Agency Home</td>
<td>$27,750</td>
<td>$19,210</td>
<td>$46,960</td>
</tr>
<tr>
<td>Adoption from Group Home Level 14</td>
<td>$37,801</td>
<td>$28,500</td>
<td>$66,301</td>
</tr>
<tr>
<td>Adoption from Group Home Level 12</td>
<td>$47,473</td>
<td>$35,140</td>
<td>$82,613</td>
</tr>
<tr>
<td>Guardianship from Foster Family Agency Home</td>
<td>$28,576</td>
<td>$21,057</td>
<td>$49,633</td>
</tr>
<tr>
<td>Guardianship from Group Home Level 12</td>
<td>$30,658</td>
<td>$22,995</td>
<td>$53,653</td>
</tr>
<tr>
<td>Guardianship from Foster Family Agency Home</td>
<td>$36,913</td>
<td>$27,130</td>
<td>$64,043</td>
</tr>
<tr>
<td>Guardianship from Group Home Level 12</td>
<td>$34,140</td>
<td>$25,290</td>
<td>$59,430</td>
</tr>
</tbody>
</table>

Typical Minnesota Savings
Per Child / Per Year
Youth age 13-20 year old (June 2013)
(Savings accrue each year the child would have remained in foster care)

<table>
<thead>
<tr>
<th>Placement Type</th>
<th>Cost</th>
<th>Medicaid</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adoption from Basic Rate 120 DOC yrs</td>
<td>$35,715</td>
<td>$26,992</td>
<td>$62,707</td>
</tr>
<tr>
<td>Adoption from Therapeutic Foster Care Level 1</td>
<td>$32,956</td>
<td>$24,095</td>
<td>$57,051</td>
</tr>
<tr>
<td>Adoption from Residential Foster Care Facilities with Mental Health Services</td>
<td>$46,986</td>
<td>$34,202</td>
<td>$81,188</td>
</tr>
<tr>
<td>Relative Care from Basic Rate 120 DOC yrs - Level 1 stability</td>
<td>$38,873</td>
<td>$28,095</td>
<td>$66,968</td>
</tr>
<tr>
<td>Guardianship from Basic Rate 120 DOC yrs</td>
<td>$35,535</td>
<td>$26,471</td>
<td>$62,006</td>
</tr>
<tr>
<td>Guardianship from Therapeutic Foster Home &gt; 120 DOC yrs</td>
<td>$35,535</td>
<td>$26,471</td>
<td>$62,006</td>
</tr>
<tr>
<td>Guardianship from Residential Foster Care Facilities with Mental Health Certification</td>
<td>$46,986</td>
<td>$34,202</td>
<td>$81,188</td>
</tr>
</tbody>
</table>

Typical California Savings
Per Child / Per Year
Youth age 11-20 year old (October 2014)
(Savings accrue each year the child would have remained in foster care)

<table>
<thead>
<tr>
<th>Placement Type</th>
<th>Cost</th>
<th>Medicaid</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adoption from Basic Rate, CMS level 1</td>
<td>$26,205</td>
<td>$19,683</td>
<td>$45,888</td>
</tr>
<tr>
<td>Adoption from Basic Rate, CMS level 2</td>
<td>$38,465</td>
<td>$28,895</td>
<td>$67,360</td>
</tr>
<tr>
<td>Adoption from Therapeutic Foster Care</td>
<td>$73,133</td>
<td>$54,248</td>
<td>$127,381</td>
</tr>
</tbody>
</table>

Typical Oregon Savings
Per Child / Per Year
Youth age 13-20 year old (June 2013)
(Savings accrue each year the child would have remained in foster care)

<table>
<thead>
<tr>
<th>Placement Type</th>
<th>Cost</th>
<th>Medicaid</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adoption from Foster Care Level 2</td>
<td>$94,888</td>
<td>$69,653</td>
<td>$164,541</td>
</tr>
<tr>
<td>Adoption from Therapeutic Foster Care Level 1</td>
<td>$85,820</td>
<td>$62,864</td>
<td>$148,684</td>
</tr>
<tr>
<td>Adoption from Therapeutic Foster Care Level 2</td>
<td>$92,844</td>
<td>$67,982</td>
<td>$160,826</td>
</tr>
<tr>
<td>Adoption from Therapeutic Foster Care Level 3</td>
<td>$98,868</td>
<td>$72,904</td>
<td>$171,772</td>
</tr>
</tbody>
</table>

Typical Kentucky Savings
Per Child / Per Year
Youth age 13-20 year old (June 2013)
(Savings accrue each year the child would have remained in foster care)

<table>
<thead>
<tr>
<th>Placement Type</th>
<th>Cost</th>
<th>Medicaid</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adoption from PCC Residential Care Level 1</td>
<td>$85,868</td>
<td>$63,201</td>
<td>$149,069</td>
</tr>
<tr>
<td>Adoption from PCC Residential Care Level 2</td>
<td>$92,892</td>
<td>$68,326</td>
<td>$161,218</td>
</tr>
<tr>
<td>Adoption from PCC Residential Care Level 3</td>
<td>$98,916</td>
<td>$73,454</td>
<td>$172,370</td>
</tr>
</tbody>
</table>

Appendix B

• The Social Security Act requires that any service which you are permitted to cover under Medicaid that is necessary to treat or ameliorate a defect, physical, or mental illness, or a condition identified by a screen, must be provided to EPSDT participants regardless of whether the service or item is otherwise included in your Medicaid plan.

Medical Necessity

CA Definition

• The child/youth has an included Diagnostic and Statistical Manual and/or (ICD9) diagnosis
• As a result of the included diagnosis, the child/youth must have at least one of the following:
  – A significant impairment in an important area of life functioning
  – A probability of significant deterioration in an important area of life functioning
  – A probability that the child will not progress developmentally as individually appropriate
Additionally, the child/youth must meet both of the following criteria:

- Focus of the proposed intervention is to address the condition identified
- The proposed intervention will do, at least, one of the following:
  - Significantly diminish the impairment
  - Prevent significant deterioration in an important area of life functioning, or
  - Allow the child to progress developmentally as individually appropriate

**Fundable Mental Health Services**

- **Assessment:** A service activity designed to evaluate the current status of the child/youth’s mental, emotional, or behavioral health.
- **Plan Development:** A service activity that consists of the development of client plan, approval of the client plans, and/or monitoring and recording the client’s progress in the plan.

**Rehab Model**

- **Individual/group rehabilitation:**
  - A service activity that includes, but is not limited to, assistance in improving, maintaining, or restoring a child, or group of children’s functional skills, daily living skills, social and leisure skills, and grooming and personal hygiene skills; obtaining support resources; and/or obtaining medication education.

**Collateral:**

- **Collateral:** A service activity
- provided to a significant support person in the child’s life for the purpose of meeting the needs of the child in terms of achieving the goals of the child’s client plan.
- **(Note:** “a significant support person” is defined as a person who, in the opinion of the child/youth, or the person providing services, has or could have a significant role in the successful outcome of treatment)

Mission Focused Solutions
We open doors to permanent families for children in foster care
www.missionfocused.org