

Risk Pool Peer Review Committee Summary Report

Fiscal Year 2018-2019

Executive Summary:

The department established a Risk Pool Peer Review Committee pursuant to section 409.990(7), Florida Statutes, for state fiscal year (FY) 2018-2019, the Risk Pool application process was informed by lessons learned from the prior year reviews as well as the availability of extensive additional information from reports developed pursuant to proviso language included in the General Appropriations Act (Specific Appropriation 322) for FY 2017-2018. In compliance with this proviso language, the department completed a comprehensive, multi-year review of the revenues, expenditures and financial position of all Community-Based Care Lead Agencies (CBCs) including a comprehensive system of care analysis. This submission also included a financial viability plan from all lead agencies.

The Risk Pool Protocol provided for priority consideration for any CBC with increased removals based on a 12-month moving average from May 2016 to May 2018. This criterion was based on the experience from prior year reviews that found that significant increases in removals were a key indicator of financial vulnerability for a lead agency. Tier one for priority consideration was lead agencies with an increase in removals of 10 percent or more.

Due to the early application process this fiscal year, the Risk Pool Peer Review team conducted a review with relevant information available from multiple sources to make recommendations. The documents reviewed are below:

- Risk Pool Application
- Financial Viability Plan (FY2017-2018 and FY2018-2019)
- Budget Projections provided by the CBC
- CBC Financial Viability Integrated Data Report
- [The Child Welfare Dashboard](#)
- [CBC Contract Monitoring Reports](#)
- [Previous Risk Pool Reports](#)
- CBC Contract Monitoring Survey Data
- CBC Contract Monitoring Data Packets
- [The Child Welfare Key Indicators Monthly Report](#)
- Florida Safe Families Network (FSFN) Aggregate Payment Data

As a part of the review, the team made a determination if there was sufficient information available from previous on-site visits, current data, and monitoring reports to make a recommendation. Additional information was requested and follow up provided by the CBC which allowed the team to make a recommendation without an additional on-site visit for nine of the 10 applicants.

The Risk Pool Peer Review Committee consisted of:

Lee Kaywork, Team Leader

Glen Casel, CEO, Community Based Care of Central Florida

Carol DeLoach, CEO, Communities Connected for Kids

Micheal DiBrizzi, CEO, Camelot Community Services
Naomi McGowan, CFO, Family Support Services of North Florida
Catherine Macina, CFO, Community Based Care of Central Florida
JoShonda Guerrier, Assistant Secretary for Child Welfare
Barney Ray, Office of CBC/ME Financial Accountability
Billy Kent, Northeast Region Family and Community Services Director
April May, Suncoast Region Community Development Director
Alissa Cross, CBC Contract Monitoring Team
Melissa Stanley, CBC Contract Monitoring Team
Megan Wiggins, CBC Contract Monitoring Team
Kelly Welch, CBC Contract Monitoring Team

While the specific areas of review and analysis varied based on the unique needs and circumstances of each Region, Circuit and CBC, the risk pool framework provided an outline for organizing the work of the Peer Review Committee.

Applicant Summary:

Ten CBCs applied for risk pool funding for a total of \$20 million dollars.

- Kid Central, Inc.
- Eckerd Connects Community Alternatives – Circuit 6
- Eckerd Community Alternatives – Circuit 13
- Sarasota YMCA
- Children’s Network of Southwest Florida
- St. Johns Board of County Commissioners – Family Integrity Program
- Community Partnership for Children
- Families First Network
- Big Bend Community Based Care
- Partnership for Strong Families

Of these 10 CBCs, Big Bend Community Based Care was the only CBC that required an on-site review as they had not had a previous on-site risk pool or monitoring in the previous 12 months. The remaining nine CBC's did not require an on-site review as they had an on-site peer review within the previous 12 months.

The following CBCs met the criteria for consideration of risk pool funding based on a review and each has an individual report outlining the review:

- Kid Central, Inc.
- Eckerd Connects Community Alternatives – Circuit 6
- Eckerd Community Alternatives – Circuit 13

- Sarasota YMCA
- Children’s Network of Southwest Florida

A determination could not be made on the remaining four CBCs as to whether not they meet the criteria for consideration of risk pool funding at the time of the review. The team was either not able to effectively evaluate their need or their budget projections did not currently indicate a need. A determination on their qualification will be deferred until a later date.

St. Johns Board of County Commissioners – Family Integrity Program (FIP)

FIP requested \$157,350 in risk pool funding based on their budget projections. The review team found that their budget projections included paying back funding from Title IV-B Promoting Safe and Stable Families Act grant and from Medicaid Administration that they did not think they would fully earn. They also included a projected deficit in Maintenance Adoption Subsidy which is a pass-thru of funds to adoptive parents that comes from a separate line-item in the General Appropriations Act. The department controls the statewide allocation of this category. Adjusting for those assumptions would provide a very small projected surplus of approximately \$14,590. Due to FIPs size, the cost associated with just one more child in group care each month would be enough to negatively impact FIP’s budget; therefore, the committee deferred on their qualification until additional information comes available.

Community Partnership for Children (CPC)

CPC requested \$815,211 in risk pool funding based on their projections. A review of their budget projections identified an additional \$1,085,457 in funding for Safety Management Services and Independent Living allocated by the department that was not included as revenues in their projection. Additionally, their projections included paying back \$331,884 of unearned state funds allocated for the Independent Living program which they would retain as carry forward funds by statute. The committee decided to not recommend allocation of risk pool funding at this time.

Families First Network (FFN)

FFN requested \$1,250,000 in risk pool funding based on their projections. A review of their budget projections identified a projected Maintenance Adoption Subsidy deficit of \$556,235. These are pass-through funds to adoptive parents from a separate line-item in the General Appropriations Act that is managed statewide by the department. The budget did not include an additional \$272,362 of funding for Independent Living and an estimated prior year federal excess earnings of \$18,758. After adjusting for these amounts, the projected deficit is \$403,732 which represents 0.8% of all funding. The committee decided to not recommend allocation of risk pool funding at this time.

Partnership for Strong Families (PSF)

PSF requested \$732,755 in risk pool funding. This request included replenishing use of \$353,900 of their state funds carry forward total of \$747,900 that was used during FY 2017-2018. It also

included replenishing \$12,000 in unused Maintenance Adoption Subsidy funds. After adjusting for these amounts, the projected deficit is \$144,331 which represents 0.4% of all funding. The committee decided to not recommend allocation of risk pool funding at this time.

Risk Pool Distribution Allocations and Recommendations:

Kid Central, Inc. (KCI)

Initial Request: \$2,162,032

Allocation: \$1,965,000

The Peer Review Committee review found that KCI qualifies for risk pool funding with a full distribution of \$1,965,000 based on an adjusted budget and cash flow analysis completed by the Office of CBC/ME Fiscal Accountability.

Recommendations:

1. Develop a plan to reduce the number of children in care greater than 18 months.
2. Continue to work on the previous Risk Pool recommendations.
3. Modify their Financial Viability Report to more accurately reflect their actual plan.
4. Implement the recommendations from the recent Contract Monitoring Report.

Eckerd Connects Community Alternatives – Circuit 6 (ECA-P/P)

Initial Request: \$5,600,000

Allocation: \$ 2,970,419

The Peer Review Committee review found that ECA-P/P qualifies for risk pool funding with a partial distribution of \$2,970,419 based on a cash flow analysis completed by the Office of CBC/ME Fiscal Accountability. Any further distribution would be evaluated in January 2019, with ECA-P/P's budget projections also being re-evaluated at that time. Prior to the re-evaluation, ECA-P/P should update their financial viability plan to include an additional 2% reduction in their core services expenditures. The distribution should include consideration for any additional responsibilities assigned to case management organizations.

Recommendations:

1. Continue to execute the recommendations from the FY 2017-2018 Risk Pool Report.
2. Place a stronger emphasis on reducing the number of children in residential group care, particularly ages 6-12.

3. Develop an action plan in conjunction with the sheriff's offices to improve the utilization of diversion services as a safe alternative to removals.
4. Until ECA-P/P can operate without a deficit, the caseload ratio should be 1:20, with a goal of 1:17 long term.
5. Consistent with the finding during the most recent on-site monitoring, ECA-P/P should continue to focus on addressing case manager turnover.
6. ECA-P/P would benefit by expanding the availability of the Family Reunification Team to all case management organizations.

Eckerd Community Alternatives – Circuit 13 (ECA-H)

Initial Request: \$3,140,000

Allocation: \$2,720,116

The Peer Review Committee review found that ECA-H qualifies for risk pool funding with a full distribution of \$2,720,116 based on a cash flow analysis completed by the Office of CBC/ME Fiscal Accountability. The distribution should include consideration for any additional responsibilities assigned to ECA-H. Due to the significant challenges experience by the Hillsborough system of care, the risk pool review committee has recommended full funding of the request.

Recommendations:

1. ECA-H must continue to follow their financial viability plan.
2. ECA-H must continue to follow the recommendations from the Hillsborough County System of Care Peer Review report and subsequent Corrective Action Plan.
3. ECA-H should strive to control the cost of out-of-home care.

Sarasota YMCA (SYMCA)

Initial Request: \$2,014,364

Allocation: \$1,402,921

The Peer Review Committee recommendations that SYMCA receive a full allocation of risk pool funding in the amount of \$1,402,921 based on an adjusted budget and cash flow analysis completed by the Office of CBC/ME Fiscal Accountability. The amount of \$474,626 for new positions was not approved by the risk pool peer review team as it does not meet the risk pool criteria.

Recommendations:

1. SYMCA must continue to follow the recommendations of previous Risk Pool report.

2. SYMCA must continue to monitor and follow their financial viability plan.
3. SYMCA should submit an updated Service Array Template for a revised service array rating.

Children's Network of Southwest Florida (CNSWFL)

Initial Request: \$3,564,643

Allocation: \$ 0

The Peer Review Committee found that CNSWFL would have qualified for risk pool funding due to an increase in removals; however, most of the request for risk pool funding included costs within the control of the CBC or that are part of normal on-going business operations. Therefore, the committee recommends no distribution of risk pool funding at this time.

Recommendations:

1. CNSWFL must continue to follow the recommendations of the previous Risk Pool report.
2. CNSWFL must continue to monitor and follow their financial viability plan.

Big Bend Community Based Care (BBCBC)

Initial Request: \$577,224

Allocation: \$577,224

The Peer Review Committee found that BBCBC qualifies for risk pool funding with a full distribution of \$577,224 based on an updated budget and cash flow analysis completed by the Office of CBC/ME Fiscal Accountability. This amount is based upon the projected deficit of \$577,224.

Recommendations:

1. BBCBC should continue initiatives identified to enhance fiscal sustainability and drive performance, identified in the Risk Pool Peer Review report.
2. BBCBC should reduce their reliance on group care with an emphasis on reducing the number of children over the age of 5 in group care.
3. BBCBC should continue to enhance foster home management which should yield a net increase in the number and quality of licensed foster homes. Coupled with the combination of the diligent search and CLEAR search teams; identification and increased use of less restrictive placement options should result in a reduction in group care costs.

4. BBCBC should continue monthly, or more frequent, formal case reviews of all children placed in group care to identify children who could be moved to a less restrictive placement. Reviews should include placement and licensing staff to ensure newly licensed homes, with or without enhanced supports, are explored as appropriate placement options.
5. BBCBC should collaborate with the department to increase utilization of diversion services as a safe alternative to removals.
6. BBCBC must continue to work on their financial viability plan.

Total Appropriation for Risk Pool	\$15,000,000
Total of all recommended allocations	<u>\$ 9,635,680</u>
Balance of Risk Pool Funds	\$ 5,364,320