

**Risk Pool Peer Review Committee Report
ChildNet Palm Beach
Fiscal Year 2016/2017**

ChildNet Palm Beach (CN-PB) submitted an application for risk pool funding on November 30, 2016. The application was subsequently reviewed by the Southeast Region and with the concurrence of the Regional Managing Director was submitted to the Office of Child Welfare.

The department established a Risk Pool Peer Review Committee pursuant to section 409.990(7), F.S. and consistent with the department's Risk Pool Protocol of November 18, 2016. For fiscal year 2016-2017, 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 (Chapter 2016-66, L.O.F, Specific Appropriation 342) for fiscal year 2016-2017. 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 including a comprehensive system of care analysis. This submission also included a financial viability plan from lead agencies that had experienced a financial operating deficit.

The Risk Pool Protocol provided for priority consideration for any lead agency with increased removals based on a 12-month moving average from September 2013 to September 2016. 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 50% or more. Based on analysis of relevant data, CN-PB was in Tier 4 for priority consideration, and last in the state as they actually have decreased removals of more than 10%.

The Risk Pool Protocol further provided that site visits would be required if no Risk Pool Peer Review site visits had been held in the past 12 months. A Peer Review Committee conducted a site visit on February 10th through 12th, 2016, therefore this report updates the prior year report which is attached for reference. In addition, this update was informed by a site visit performed by a consultant to the department to assess current fiscal and operational challenges.

This report also includes a review relevant contextual information regarding caseloads, financial history and performance as reflected in the comprehensive report of October 1, 2016, the Financial Viability Plan submitted in response to last year's Risk Pool recommendations and updated financial and programmatic trend data.

This updated report is designed to meet the direction of the statute and departmental protocol in order to:

1. Review, analyze, and discuss the application.
2. Verify the accuracy of the data being reported by the Lead Agency.
3. Conduct an on-site, fact-finding visit to confirm input from the applying Lead Agency (if a visit has not occurred in the last 12 months).
4. Assess need for immediate technical assistance regarding budget development/management, and determine if continued on-site technical assistance is appropriate. In these cases, the Peer Review Committee will serve as the coordinating entity for the provision of technical assistance.
5. Make a final recommendation to the Secretary upon the completion of all required site visits, regarding approval or disapproval of the application. Recommendations for approval will include:
 - a. Amount of funding and mix of funds to be made available.
 - b. Limitations or requirements on use of additional funding that are linked to correction of factors that caused the shortfall.
 - c. Any follow-up actions or additional documentation needed from the Lead Agency or Region.
 - d. Report on technical assistance activities completed and remaining, and/or recommendations for future technical assistance.
 - e. Access to the risk pool.

This updated information is organized in seven areas similar to the organization of last year's report.:

1. Findings related to the need for services and commitment of resources.
2. Findings related to protective services including removals, referrals for post-investigative services, activities to protect children without removal and use of resources focused on prevention and intervention.
3. Findings related to provision of services for children in care (both in-home and out-of-home).
4. Findings related to exits from care including exits to permanence.
5. Findings related to funding, fiscal trends and fiscal management.
6. Findings related to overall management.
7. Other factors or considerations noted on the application or determined relevant by the Peer Review Committee.

The following summarizes the updated findings. Almost all of the challenges noted in the original report still exist, so this addendum only contains significant updates or changes.

1. Findings related to the need for services and commitment of resources

As was indicated in the comprehensive system of care report of October 1, 2016, the overall child poverty rate was slightly below the state average based on 2014 information. The updated child poverty rate for 2015 was 20.8% for Palm Beach County and 23.4% statewide.

Palm Beach has a Children's Services Council (CSC) that funds services primarily towards prevention and not to children already in the child welfare system. One exception is funding to Legal Aid for 2 programs: Foster Children's Project (children 0-12) and Juvenile Advocacy Project (children 12-18). This program is somewhat unique in the state and is viewed as a strong support to the child welfare system.

While there is a strong relationship with the managing entity (ME) for substance abuse and mental health (Southeast Behavioral Health), there is a belief that this resource could be maximized more in that services are being funded by the CBC that could be funded by the ME.

2. Findings related to protective services including removals, referrals for post-investigative services, activities to protect children without removal and use of resources focused on prevention and diversion.

Average monthly removals by fiscal year are as follows:

- SFY 13/14 – 83
- SFY 14/15 – 72
- SFY 15/16 – 66
- SFY 16/17 through March - 57

In fact, removals for Jan – March 2017 averaged 46 compared to 64 for Jan – March 2016.

The rate of removals has declined as well – during SFY 15/16, the rate was almost 8 children per 100 reports received, compared to less than 7 for the current fiscal year, which is also below the statewide average of 8.

Since the March 2016 site visit, CN-PB has implemented Safety Management Services by contract with Henderson and reports good utilization. In addition, intensive in-home family therapy services provided by Camelot are now being accessed by CPI's. CN-PB reports that with the decreased removals and the implementation of Safety Management Services, there does not currently appear to be a need for additional prevention services, though they will respond to any needs identified by the CPI's if necessary. Note that prevention spending for

SFY 2017 (through March) is now more than 3% of core – up from 1% for SFY 2016. This does not include the new Safety Management Services (they are not considered core).

3. Findings related to provision of services for children in care (both in-home and out-of-home).

CN-PB has made significant progress in reducing the reliance on facility-based care as well as increasing placements with relatives and non-relatives.

The Residential Group Care (RGC) census has decreased from a high of 248 in July 2015 to 126 in March of 2017; from 20% of children in out-of-home care to just under 12%. While this is still slightly higher than the statewide average of less than 12%, it is a dramatic shift in their system of care. Leadership indicates that this was not just an exercise in shifting from residential to family-based care, but an entire change in philosophy about serving children.

As a result of this shift, their spending level in March puts them in a position to be financially viable had they been at this level all year. Note that this would include covering a \$1.4m deficit in Independent Living with core funds.

CN-PB has also improved performance in placement with relatives or non-relatives. In the last report, they were noted as being at 48% and they are now at more than 52% compared to the statewide average of almost 57%.

Family foster home usage is at about the same level as last fiscal year which means a higher percentage of children since overall OOHC rates have declined (from a high of 1264 in May 2015 to the March 2017 level of 1056). It is very close to the statewide average of 31% (at 33% for March 2017).

The In-home census has declined from 525 in July 2016 to 395 in March 2017. At 1.43 per 1,000 children in the population, it is much lower than the statewide average of 2.85. At 33% of the total served, however, it is higher than 29% noted for SFY 2016.

The case management function continues to be stable, and spending on the function at 41% is closer to the statewide average of 51% than last reported (32%).

4. Findings related to exits from care including exits to permanence.

Three key permanency indicators relate to the percent of children in care who achieve permanency within 12 months, the percent in care for 12 to 23 months who achieve permanency within an additional 12 months and the percent in care for 24 or more months who

achieve permanency within an additional 12 months. The chart below shows the percentage for each measure.¹

Measure	National Standard	ChildNet - PB	Statewide
Children Achieving Permanency within 12 months of removal (children removed in October through December 2015 and followed for 12 months).	40.5%	50.7%	41.5%
Children in Care 12-23 Months on January 1, 2016 Who Achieved Permanency within an Additional 12 Months.	43.6%	59.2%	53.9%
Children in Care 24 or More Months on January 1, 2016 Who Achieved Permanency within an Additional 12 Months.	30.3%	37.9%	40.9%

CN-PB exceeds the state average and national standard on two of the three measures.

Exits from care averaged 46 per month for both SFY 2016 and YTD for SFY 2017, exceeding the number of average removals for both years.

5. Findings related to funding, fiscal trends and fiscal management.

The projected deficit for SFY 2017 is \$700k which is about half of the Independent Living deficit of \$1.35m. However, their cumulative deficit is \$2.8m due to the \$2.1m carry forward deficit. This still represents about 8.5% of core funding (6% of the total contract) which could create some cash flow issues if CN-PB does not receive some risk pool funding. If current trends continue, CN-PB will be viable on an annual basis but it may take several years to reverse the cumulative deficit.

6. Findings related to overall management.

The information in last year's report remains. In addition, the shift in philosophy around use of facility-based care is significant and has played an important role in their success thus far.

CN-PB report that they sponsored a 4-day boot camp with Kevin Campbell's Family Finders model attended by both PI and CBC staff. They report that this was an extremely enlightening experience and will be embedded in their current philosophy and practice model.

7. Other Findings and Considerations – Financial Viability Plan

¹ Child Welfare Key Indicators Monthly Report, December 2016, pages 26 through 28.

The Financial Viability Plan submitted by CN-PB (referred to as the Roadmap) has 5 main goals that CN-PB and SER have been reporting on. These tie to the 5 recommendations in the previous risk pool report.

- Actions to implement an effective safety management and decision support systems to support actions by protective investigators to avoid unnecessary removals. In addition, action should facilitate more rapid reunifications consistent with the department's case practice model.
- Increase use of kinship care including relative and non-relative caregivers. The Lead Agency should include training on family engagement as part of the identification of appropriate relatives not only for initial placement but as possibilities for stepping down from residential group care.
- More effective utilization of foster family homes. This should include use of existing capacity in licensed homes to serve children who are in residential care and whose needs are more consistent with family-based care. This should also include siblings groups that are currently in group care.
- Reduction of use of residential group care. The Lead Agency should establish a goal of achieving a level of utilization of group care that approximates the state average in use of this level of care.
- Utilization of Appropriate Resources ChildNet closely monitors the placement and reimbursement rate for every child in licensed out of home care. At no time this fiscal year has there been an instance of ChildNet paying for a dependent Palm Beach child placed in either a SIPP, therapeutic group home or therapeutic foster home. All such therapeutic placements are being paid for by either Medicaid or the local Managing Entity for Substance Abuse and Mental Health. ChildNet continues to work with both the Managing Entity and Sunshine Health to identify alternate sources of funding for the placements of children in "treatment" settings that are not currently included in the network of the Sunshine/Cenpatco operated Medicaid Managed Care Specialty Plan for dependent children.

As discussed in the narrative, CN-PB has made significant progress on the 1st 4 items. In addition, the 5th item is reported as being successful as well.

Summary of Findings and Conclusions

- CN-PB has significantly reduced reliance on facility-based care, resulting in their current monthly spending level being within their monthly contract amount. They will have a current year IL deficit of \$1.35m that can only partially be covered with core funds (all but \$700k can be covered) and continue to have the carry forward deficit of \$2.1m. The resulting cumulative deficit is projected to be \$2.8m.

- CN-PB has also made significant progress in implementing front end services

Recommendations

The Peer Review Committee recommends that:

1. CN-PB continue to reduce facility-based placements to get at or below the statewide average.
2. CN-PB continue to review front-end services and expand / adjust as necessary to provide the maximum level of service to effectively serve as many children in-home as possible.

It is recommended the Risk Pool Funding be approved to the extent available to reduce the cumulative deficit, considering specifically the impact of the historic IL deficits.