

Risk Pool Funding Application SFY 2018-19

Please complete all items and submit electronically to the Regional Managing Director. Upon review and concurrence of the Risk Pool Funding Application, the Regional Managing Director will submit the application to the Deputy Secretary for the Department.

Lead Agency Name: Children's Network of SWFL, LLC

Region: Suncoast Region

Contract No.: HJ300

Address: 2232 Altamont Ave., Fort Myers, FL 33901

Lead Agency Contact: Nadereh Salim

Phone No.: 239-226-1524

Contract Manager: Haymanot Belda

Phone No.: 813-337-5740

This request is being submitted in response to an anticipated end of the fiscal year deficit inclusive of carry forward deficit.

Financials:

- 1) Confirm the dollar amount being requested: **\$3,564,643.00***

*Note: Includes \$801,643 Maintenance Adoption shortfall projected for FY 18/19

- 2) Confirm that funds will be expended by the end of the current fiscal year: Yes No

- 3) How do you propose to use these funds to address or correct the underlying cause of the shortfall?

During a previous risk pool application review conducted on November 7th, 2017 the evaluators recommended "CNSWF would have to re-evaluate their budget for SFY18/19 depending upon their core services funding and if the number of children in out-of-home care served cannot be safely reduced." Core Allocation only increased by \$73,186; from \$33,969,362 in FY 17-18 to \$34,042,548 in FY 18-19. There has been a 5.35% increase in removals from the 12 months from May 2016 to May 2017 average versus the 12 months from May 2017 to May 2018 average.

CNSWFL has reduced children in out-of-home care from 1,582 in Nov 2017 to 1,493 at the end of June 2018 or a 5.9% reduction. Significant progress has been made on contract performance measures as noted in the recent 3rd quarter scorecard. However, substantial

investments made to the System of Care, as outlined below, requires additional funding this fiscal year.

Risk Pool Application for planned use of funds focuses on four major areas:

1. Continuation and annualizing costs of capacity building for Case Management with a caseload goal of 25 or less children per CWCM;
2. Increasing bed capacity for placement of children in both Foster Homes and Therapeutic Foster Homes to improve our M08 indicator "Children placement moves per 1,000 days in foster care";
3. Investments for improving overall efficiencies by updating technology to streamline and automate processes that will have a positive effect on Outcomes and Performance;
4. Increasing service capacity for Safety Management and Diversion services as well as implementation of an Evidence Based Family Support Services program for families who are safe, but high or very high risk.

Key Elements of Request for Additional Funding for FY 18/19.

Revenue – Total projected revenue is \$45,779,279 and is comprised of the following:

- Schedule of Funds at July 1, 2017 is \$44,660,767
- Estimated excess Medicaid Earnings from FY 17/18 is \$115,876
- Estimated excess IVE Training Earnings from FY 17/18 is \$202,636
- Estimated roll-forward from FY 17-18 is \$800,000 net of Federal funding paybacks.

Contracted Case Management – Total projected expenditures are \$12,308,698 and includes the following:

- Additional \$84,995 to Camelot Community Care, Inc. CMO contract in Collier/Hendry for increased labor costs for Case Management activities.

CNSWFL Salaries – Total projected Salaries and Wages for FY 18/19 is \$7,995,004 which is an increase of \$815,829 over FY 17/18 actual and includes the following:

- Administration-Fill vacant Finance Director and Accountant II positions anticipated at midyear, \$48,292
- Adoption Case Management Support- Annualized cost of a .5 FTE Adoption Recruiter position to match Wendy's Wonderful Kids Grant that is funding the other .5 FTE, \$30,542
- CNSWFL Case Management – Annualized cost of 0-5 CWCM unit, Intensive Family Services Teams(IFST) and Kinship CWCM units created in FY 17/18, \$264,669 (This includes estimated \$102,000 in overtime and a lapse factor of 7% due to current turnover). These units were developed to reduce caseloads to 25:1 or less as part of our most recent viability plan. In addition, our Kinship Relative Search unit continues to work to increase the number of children placed with Relative/Non-relatives. The IFST program has accomplished measured success with 98% of children avoiding out of home care placement December 2017-June 2018. An important goal to reduce caseloads is increasing exits versus entries; this has improved from previous years. As of July 1, 2018 there were 989 entries versus 1017 exits from care. This trend is expected continue as the Lee county pilot project began on August 1, 2018 where Children's Network IFST CWCMs work in partnership with the newly created DCF Present Danger Safety Plan Manager.

- Direct Services-Annualized cost of a Director of Case Management and Administrative Assisted for additional case management units added late in FY 17/18, \$75,017
- Licensing and Recruitment-Annualized cost of vacant positions filled late FY 17/18, \$38,221
- Medical Case Management- Annualized cost part time LPN position filled late FY 17/18, \$25,460
- OTI/ICPC Case Management-annualized cost of a supervisor hired in FY 17/18 and filling a vacant Case Manager position, \$34,604
- Adoption Overlay Case Management-annualized cost of a new unit created in 2nd quarter of last Fiscal year, \$99,771
With the addition of this unit, the 17/18 adoption goal was exceeded as 195 children were adopted.
- Revenue Maximization-Annualized cost of Child Benefits Administrative Assistant utilized to assist in addition workload managing SSA benefits and activities in the department, \$31,462
- Training-Annualized cost filling vacant field trainer position, \$64,509
- Safety Management Services-Annualized cost of acquiring staff from the Pathways contract that was cancelled in Jan 2018, \$112,876

CNSWFL Fringe Expenses – Aetna Health Insurance premiums increased by \$300,085 CNSWFL elected to absorb the cost and not pass on to employees to promote retention.

- Employee Single 11% increase
- Employee and Spouse 25% increase
- Employee and Child 21% increase
- Employee and Family 36% increase

CNSWFL Operating Expenses – Net expenditures increased from FY 17/18 by \$329,555 due to the following major areas:

- Communications – Annualized cost of net increase for the new NEC SV9100 phone system and replacing cell phones for Case Managers (Apple I6s) to support roll out of the new Mindshare application, \$55,164
- Postage and Copiers – Annualized cost for facilities' support and additional equipment for Camelot Community Care, Inc. in Collier and Hendry/Glades as Pathways terminated services in January 2018, \$38,084
- Employee Mileage – Annualized increase due to new case management units and additional employees, \$85,723
- Other Client Expense – Annualized costs associated with transportation of clients, car seats for transport and FDLE background checks conducted during the year, \$23,427.
- Information Technology – Annualized cost of leasing 300 laptops for all CMO and CNSWFL staff (An analysis of existing infrastructure revealed 88% of equipment had expired warranties, repairs were no longer cost effective) This also includes upgrading the email system to Enterprise E3 as the current software (MS Exchange) is reaching the end of life cycle, \$97,448
- Foster Parent Damage Claims – Annualized Increase in foster parent claims with difficult teens placed in foster homes, \$15,000.
- Facility Rent – Average price increase 3% per year, 36,486

Family Support Services - Annualized cost for increased services for Camelot Community Care, Inc. serving safe but high risk children, \$258,801*

*This does not include any potential increased cost due to program redesign to an evidenced based service.

Residential and Emergency Shelter* - Projected increase of \$709,553 due to the following:

- Daily rate increased for Oasis Shelter from \$100 to \$150, \$124,000.
- Daily rate increased for Youth Haven shelter from \$100 to \$128, \$403,924
- Projected daily average for residential will be \$15,648 compared to \$14,440 average for 10 months of FY 17/18 (COview).
- Other providers increased daily rates including Vision Quest (CSEC) and Attain, Inc. (APD Group Home)
- Contracted group home to be opened in FY18/19, \$181,626.

*CNSWFL will maintain 7.8% (or less) of children in group care as compared to 9.4% statewide to continue to improve financial viability.

Therapeutic Foster Home Capacity – Annualized cost for National Youth Advocate Therapeutic Foster Care program as well as increased utilization of Devereux and Camelot Community Care, Inc. Therapeutic Foster Homes to provide placement stability and improve performance measures, \$138,467.

Foster Home Recruitment –Increased goal of Foster Home Recruitment to 187 in FY 18/19. The number of homes to be recruited per agency is as follows:

- Florida Baptist goal is 54 homes, \$35,000
- Lutheran Services goal is 60 homes, \$65,000
- CNSWFL goal is 47 homes
- Camelot North goal is 26 homes

The goal established in our most recent viability plan was met with an overall bed capacity increase of 29%.

Independent Living – There are currently 63 children in Independent with a projected increase of to 108 by the end of June 2019. (74 kids are turning 18 during FY 18/19 with a 70% penetration factor of children choosing to enter the program) At this time no budgetary impact is expected.

Behavioral Analysis – As the demand for Family Support and Safety Management Services increase, there is a projected net increase of \$67,500 for FY 18/19.

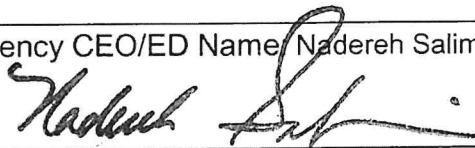
As the planned initiatives outlined in the CNSWFL Financial Viability Plan and this application are implemented and annualized, caseloads will continue to be reduced, the overall length of stay in care is projected to decrease and the ratio of children in out of home care will continue to improve. These efforts should produce a substantial budgetary savings in subsequent fiscal years.

Lead Agency Name: Children's Network SWFL, LLC

Region: Suncoast Region

Contract No.: HJ300


Lead Agency CEO/ED Name: Nadereh Salim



8/23/18

Lead Agency CEO/ED Signature Date

CBC Contract Manager Name: Haymanot Belda



8/23/18

CBC Contract Manager Signature Date

Regional Managing Director Name: Lisa Mayrose

Please confirm the following:

The Lead Agency submitted a Financial Viability Plan. Yes No


The Lead Agency is actively working its Financial Viability Plan. Yes No

The Lead Agency's Financial Viability Plan includes projected deficits for one or more CMO contracted through the Lead Agency. Yes No

Please check the applicable box to indicate your level of support of this application:

Concur

*Do Not Concur



8/23/18

Regional Managing Director Signature Date

***Rationale:**

(This item must be completed if "Do Not Concur" is checked.)

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