

## 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: Eckerd Connects Community Alternatives Hillsborough

Region: SunCoast Region

Contract No.: QJ3E0

Address: 9393 North Florida Avenue Suite 1100 Tampa, Florida 33612

Lead Agency Contact: Genet Stewart, Executive Director Phone No.: 813-347-8077

Contract Manager: Jason Thomas

Phone No.: 727-401-0587

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

### Financials:

Confirm the dollar amount being requested: **\$3.14M** (of which approximately \$2.4M is directly attributed to payments for youth in licensed substitute care settings and \$378K attributed to CMO provider projected deficits:

Name of CMO Agency	Projected Deficit
Directions for Living	\$112K
Devereux	\$175K
Gulf Coast Jewish Family and Community Services	\$91K

It should be noted that C13 received a total of \$4.7M in risk pool and "back of the bill" funding. These non-recurring dollars went towards offsetting the FY 18 deficit. As part of the budget planning phase for FY 19, C13 met with stakeholders and providers to identify additional opportunities to reduce overall expenditures without compromising the safety of the children served. This exercise resulted in the reduction of an additional \$1.5M in anticipated expenses for FY 19. Referenced below is a brief summary of the reductions:

FY 19 Budget Reduction	Total Cost Savings
Elimination of 5 Lead Agency Specialist Positions	\$260,802.88
Elimination of Lead Agency Secondary Adoption Workers (10 FTEs)	\$629,736.28
Elimination of Non Critical Contracted Support Services	\$651,081.47
<b>Total Reduction</b>	<b>\$1,541,620.63</b>

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

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

### *OHC Analysis*

Over the past 3 years (encompassing FY 16, FY17, and FY18), Hillsborough County has experienced a 40% growth in our foster care population. The underlying issues bringing children and families into the system, such as the opioid epidemic, domestic violence, and housing has stressed the system of care resources thus creating financial shortfalls. Despite receiving \$4.7M in *Risk Pool* and/or *Back of the Bill* Funding to address shortfalls experienced during FY 18, this funding was not recurring to base and Hillsborough County still started the year off serving 969 youth in paid placement accounting for \$1.6M of the current year's projected shortfall. While only in Tier 3 for risk Pool Funding, it is important to note that it will take time for the system of care to recover from the historically high removal rates.

The below chart reflects the most recent 12 months of removal rates for Hillsborough County compared to the statewide average. As noted on the chart, Hillsborough County exceeded the statewide average for removals every month during the reporting period.

	6/17	7/17	8/17	9/17	10/17	11/17	12/17	1/18	2/18	3/18	4/18	5/18	6/18
SW	5.3	5.2	6.1	5.4	5.5	5.3	5.1	5.1	5.3	5.4	5.3	5.2	4.9
C13	7.7	7.8	7.5	8.6	8.3	7.3	8.0	7.8	7.5	8.7	7.4	6.9	6.63

Again, this sustained high volume had a significant impact on children entering foster care. As removal rates begin to trend back down, it will take time for the system to recover from the 3 year/40% increase in youth placed in foster care.

As of July 1, 2018, C13 served more youth in out-of-home care than any other lead agency within the State of Florida (2,416 compared to the second highest Lead Agency, Eckerd Connects Pinellas/Pasco serving 2,170). When looking at youth served in paid placement, both Hillsborough (969) and Pinellas/Pasco (893) had the financial responsibility of expending more dollars for kids in paid placement than any other Lead Agency. Despite Hillsborough County leading the State during the last two fiscal years in the recruitment of new foster bed capacity, the financial burden of sustaining this number of youth in licensed substitute care has definitely impacted our ability to balance the budget.

Eckerd Connects recognizes the importance of ensuring that youth are served in the least restrictive setting available to meet their complexity of needs. As such, we strategically focused on placement of youth in a traditional foster home setting whenever possible. As of 7/1/2018, Hillsborough County was able to maintain 75% of all youth entering foster care in a traditional foster home setting. When comparing Hillsborough's performance to other CBC Lead Agencies servicing greater than 1,500 youth in OHC, our performance (despite serving in excess of 400 more youth) is comparable to other CBCs of like size.

Refer to

below chart (data source: FSN Children and Young Adults by Primary Worker 7.1.18).

Lead Agency	Total Youth	Total Youth	Total	% of
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	Served in OHC	Served in Licensed Substitute Care	Youth Served in Foster Homes	youth placed in foster homes
ECA Hillsborough	2,416	969	728	75%
ECA Pinellas/Pasco	2,170	893	655	73%
Child Net	1,973	824	628	76%
Our Kids	1,871	865	687	79%
CBC of Central Florida	1,713	563	388	69%
Kids Central	1,697	711	582	82%

During the same period evaluated by the Risk Pool Committee (May 2016-May 2018), Circuit 13 experienced a 15% increase in the rate in which children were placed in licensed foster care (from 846 to 974).

#### *Entries versus Exits*

When reviewing entry and exit rates over the course of the most recent 5 years, C13 initially averaged approximately 8% of total statewide entries. However, these numbers increased to 10% during the growth spurt in FY 16 and FY 17 (refer to below chart). During this same timeframe, C13 consistently outpaced the statewide average for children exiting out-of-home care during FY 14 and FY 15. However, when the unprecedented growth of the system was experienced in FY 16 and FY17, caseloads increased, case management turnover increased, and the system experienced difficulty identifying sufficient bed capacity to address the acuity level of the children entering care. These were challenging times for the system of care as evidenced by the statewide average for exits almost doubling C13's performance during the growth period. As noted on the chart, during FY 18, C13 significantly made up the gap in exits compared to the statewide average ending the year with -6% compared to the statewide average of -4%.

C13 is still attempting to stabilize from the historical high removal rates and have implemented several strategies as noted on the Financial Viability Plan to improve performance in this area. The average case management caseload has consistently averaged 1:24.

Region	FY14 Entries	FY5 Entries	FY16 Entries	FY17 Entries	FY18 Entries
C13	1340	1432	1771	1768	1501
SW	15,458	16,967	17,118	17,057	15,839

Region	FY14 Exits	FY5 Exits	FY16 Exits	FY17 Exits	FY18 Exits
C13	1303	1363	1496	1484	1404
SW	13,808	14,305	15,886	15,845	15,241

#### *Removal Rates*

The removal rates in C13 have outpaced the State of Florida's average month over month. In addition, removal rates have continued to trend significantly above the state average over the most recent 3 months April-June 2018):

During FY 18, Removal Rates in Hillsborough County far exceeded the State Average, 12 of the 12 reporting months (note below chart).

	6/17	7/17	8/17	9/17	10/17	11/17	12/17	1/18	2/18	3/18	4/18	5/18	6/18
SW	5.3	5.2	6.1	5.4	5.5	5.3	5.1	5.1	5.3	5.4	5.3	5.2	4.9
C13	7.7	7.8	7.5	8.6	8.3	7.3	8.0	7.8	7.5	8.7	7.4	6.9	6.63

#### *Budget Cuts*

During FY 18-19, Eckerd Connects reviewed expenditures across lead agency and contracted services in effort to achieve cost savings. The total cost savings accounted for approximately \$419K.

#### *Youth Served and Funding*

Eckerd Connects provided services for approximately 6,835 youth during FY 18 (data source Children and Young Adults Receiving Services by CBC Lead Agency and Type of Service). This reflects the highest number of youth served in the State of Florida. During FY 18, Eckerd Connects received funding of \$8,276 per child compared to the state average of \$8,952. This cost differential of approximately \$676 per child is having an unfavorable funding impact of approximately \$4.6M per year.

Eckerd Connects will continue to work our Financial Viability Plan to achieve cost efficiencies throughout the year.

Lead Agency Name: Eckerd Connects Community Alternatives Hillsborough

Region: SunCoast Region

Contract No.: QJ3E0

Lead Agency CEO/ED Name: Genet Stewart



Lead Agency CEO/ED Signature

8/13/18

Date

CBC Contract Manager Name Jason Thomas



CBC Contract Manager Signature

8-13-18

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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