**Risk Pool Peer Review Committee Report**
**Eckerd Community Alternatives – Circuit 6 (Pasco and Pinellas counties)**
**Fiscal Year 2017/2018**

Eckerd Community Alternatives (ECA) submitted an application for risk pool funding on September 29, 2017. The application was subsequently reviewed by the Suncoast 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 August 30, 2017. For State Fiscal Year 2017-2018, 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 State Fiscal Year 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 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 lead agency with increased removals based on a 12-month moving average from July 2015 to June 2017. 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 11% or more. ECA was in tier 1 for priority consideration with a 14% increase in removals.

The Risk Pool Peer Review Committee for ECA consisted of

Traci Leavine, DCF Director of Child Welfare Practice
Billy Kent, Northeast Region Family and Community Services Director
Teri Saunders, CEO, Heartland for Children
Mike Watkins, CEO, Big Bend Community Based Care
Mohamed Ghalayini, CFO, Our Kids
Barney Ray, DCF Office of CBC/ME Financial Accountability
Marci Kirkland, DCF Office of CBC/ME Financial Accountability
Melissa Jaacks, Team Leader

The Risk Pool Peer Review Committee reviewed relevant contextual information regarding caseloads, financial history and performance prior to the site visit. The Peer Review Committee conducted the site visit on November 1st and 2nd, 2017.

**The Peer Review Committee's work was 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.

**The work of the Peer Review Committee was organized in to seven areas and members of the committee looked in detail at issues in each of the following areas:**

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 findings of the Peer Review Committee**

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

1.1. What is the relevant community context within which the child welfare system operates?

ECA is in Circuits 6 which serves Pasco and Pinellas counties. The Child Protection Investigation function is performed by the Sheriff's offices and Children's Legal Services functions are performed by the State Attorney's Office. ECA has been the Lead Agency since 2008.

The general population of Pasco County is growing rapidly. Historically, Pasco this has been a fairly rural area, but this dynamic is shifting with rapid growth.

Pinellas County has a child welfare population that is similar in size to the Miami area, but the general population of Pinellas is approximately one half of the Miami area.

1.2. This may include incidence of calls to the hotline, child poverty in the area, local factors that influence the need for services, etc.

Child poverty in both counties is slightly below the state average.

| | Under age 18 in poverty |
|---|---|
| County | Percentage from EDR Oct 2017 profiles |
| Circuit 6 | |
| Pasco | 19.5% |
| Pinellas | 20.6% |
| | |
| State | 23.4% |

1.3. Factors may also include community resources available to meet the needs of children and families such as Children's Services Councils, local governmental resources or other unique factors.

The Pinellas County Juvenile Welfare Board (JWB) does not provide any funding directly to ECA. However, according to their website, they have budgeted $21M for Prevention of Child Abuse and Neglect through various organizations in Pinellas County.

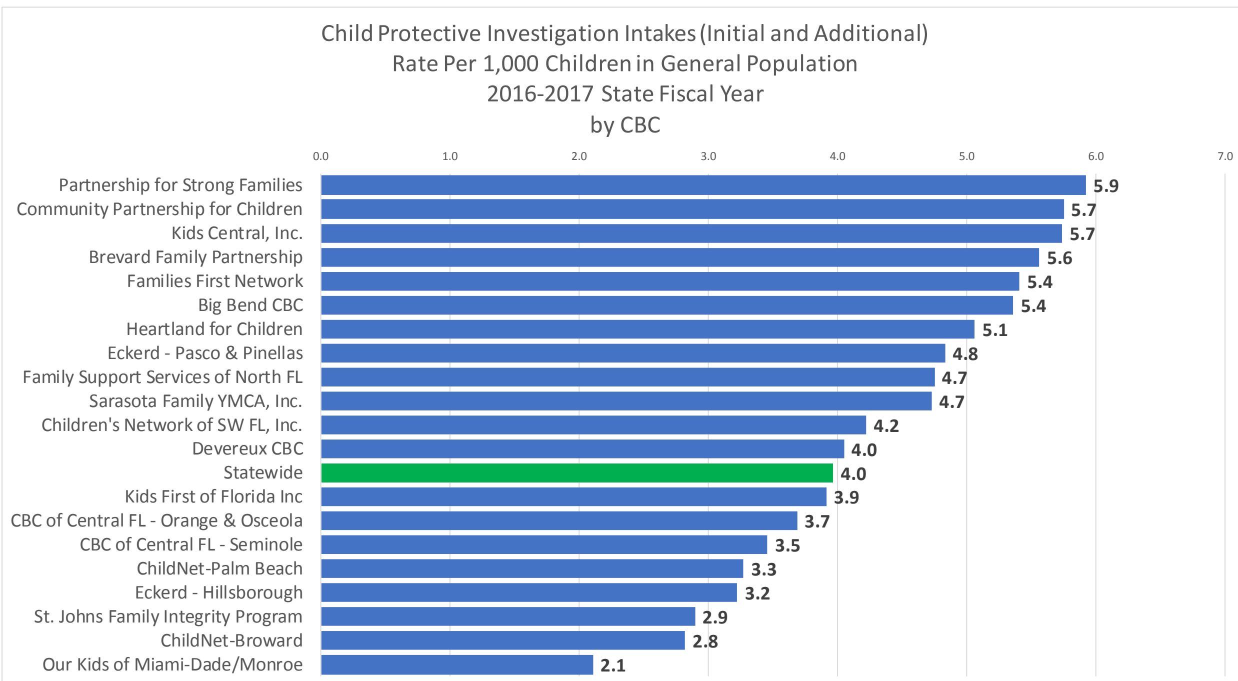
**2. Findings related to protective services including removals, referrals for post-investigative services, activities to protect children without removal and use of resources focused on prevention and diversion.**

2.1. What are the rates of removal, rates of verification and other measures from protective investigations that affect the need for child welfare services? How have these measures changed over time and how do they compare with other areas of the state?

The average monthly number of investigations increased from SFY 2016 to SFY 2017 at a rate higher than the state; current year trends may be showing a decrease, though this may be seasonal:

| | Investigations Received - Monthly Averages | | | |
|---|---|---|---|---|
| County | Thru Aug 2017 | SFY 2017 | SFY 2016 | SFY 2015 |
| Pasco | 496 | 513 | 455 | 438 |
| Pinellas | 693 | 763 | 758 | 778 |
| ***CBC*** | ***1,188*** | ***1,276*** | ***1,214*** | ***1,217*** |
| ***Change*** | -6.9% | 5.1% | -0.3% | |
| | | | | |
| State | ***15,147*** | ***16,395*** | ***15,935*** | ***15,542*** |
| ***Change*** | -7.6% | 2.9% | 2.5% | |

As shown in the chart below, the SFY 2017 rate of intakes per 1,000 children in the child population was higher than the statewide average.




A review of average monthly removals for ECA by county shows 2 years of increases that have continued into SFY 2018. Pasco County reported an overall growth in population which has contributed in a rise in the number of reports received. CPIs in both Pasco and Pinellas attribute the rise in the number of removals to the egregious nature of the types of abuse they are seeing and said due to the acuteness and chronicity of the cases they are often unable to safely serve children in the home. This information was also supported by the State Attorney's Office and both in-home diversion programs.

| | Removals - Monthly Averages | | | |
|---|---|---|---|---|
| County | Thru Sep 2017 | SFY 2017 | SFY 2016 | SFY 2015 |
| Pasco | 58 | 55 | 45 | 45 |
| Pinellas | 82 | 75 | 75 | 71 |
| ***CBC*** | ***140*** | ***130*** | ***119*** | ***116*** |
| ***Change*** | 7.8% | 9.2% | 2.6% | |
| | | | | |
| State | ***1,333*** | ***1,422*** | ***1,428*** | ***1,416*** |
| ***Change*** | -6.3% | -0.4% | 0.9% | |

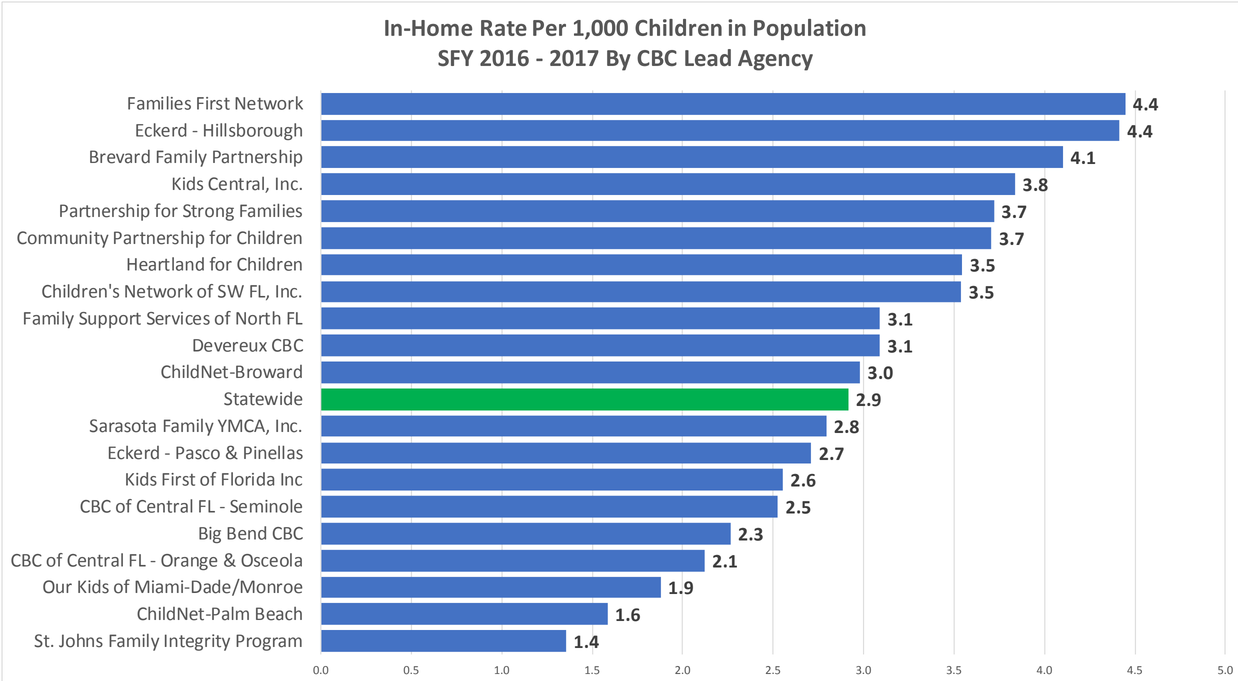
The removal rates during those same years show that ECA has been above the statewide average and recently significantly above.

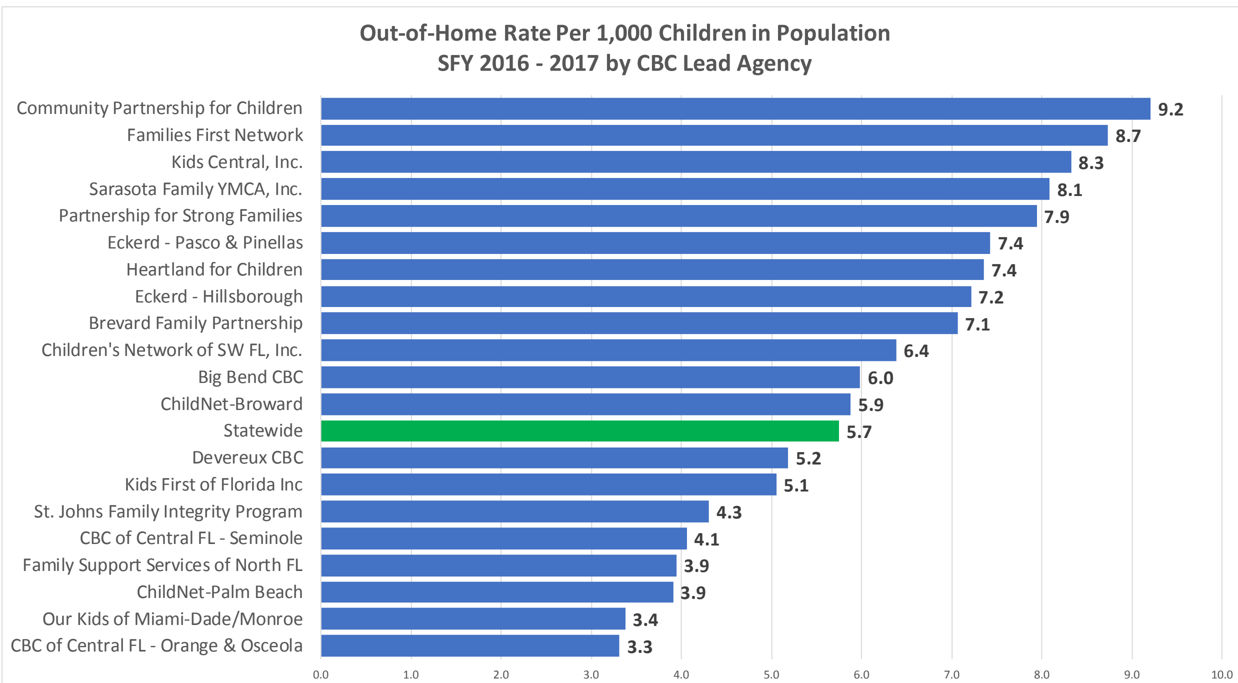
| | Removal Rates - per 100 Alleged Victims | | | |
|---|---|---|---|---|
| | Thru Sep 2017 | SFY 2017 | SFY 2016 | SFY 2015 |
| **EYA-P/P** | 9.42 | 7.55 | 7.55 | 7.34 |
| **State** | 6.74 | 6.66 | 7.09 | 7.13 |

A review of ending out-of-home care (OOHC) census shows a slight increase from SFY 2015 to SFY 2016, then a significant increase to SFY 2017 that has continued into SFY 2018. The In-Home census increased from SFY 2015 to SFY 2016 and has remained relatively stable since then.

| | Ending Census | | | |
|---|---|---|---|---|
| EYA-P/P | 9/30/17 | 6/30/17 | 6/30/16 | 6/30/15 |
| **In Home** | 741 | 734 | 752 | 630 |
| **RCG** | 948 | 873 | 703 | 656 |
| **nRCG** | 250 | 260 | 184 | 185 |
| **FFH** | 690 | 660 | 582 | 570 |
| **RGC** | 174 | 168 | 136 | 138 |
| **Other** | 91 | 115 | 94 | 86 |
| **Total OOHC** | 2,153 | 2,076 | 1,699 | 1,635 |
| **OOHC Change** | *3.7%* | *22.2%* | *3.9%* | |

For context, the 2 charts below show the In-Home and Out-of-home rates per 1,000 children in the population relative to other CBC's.

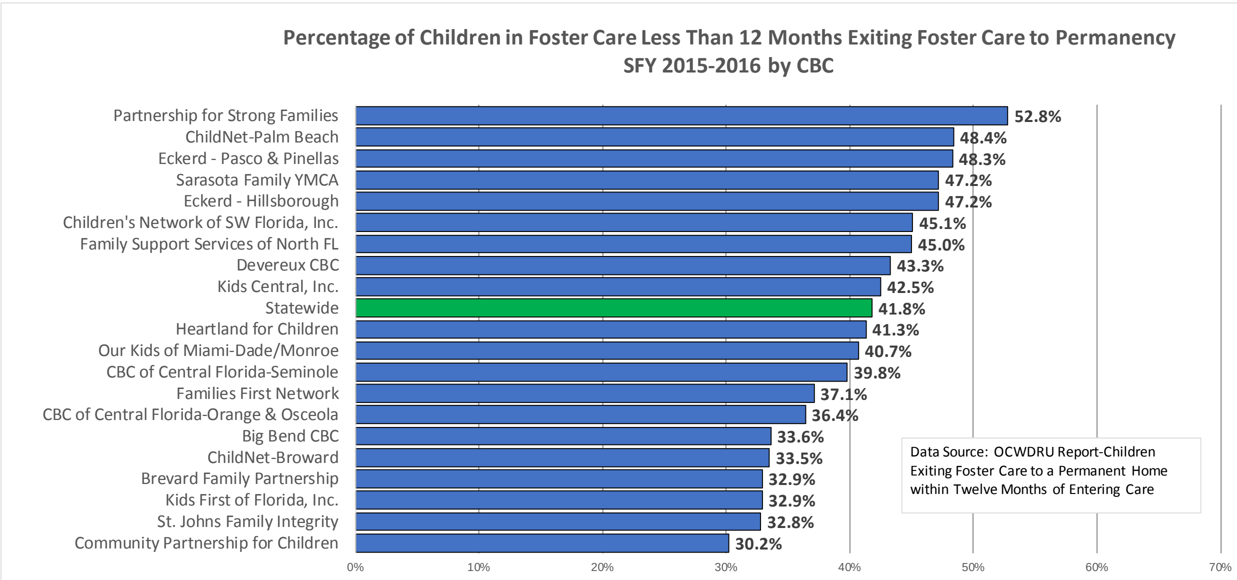



Average monthly discharges have been relatively flat.

| | Average Monthly Discharges | | | |
|---|---|---|---|---|
| | Thru Sep 2017 | SFY 2017 | SFY 2016 | SFY 2015 |
| **ECA-P/P** | 106 | 101 | 111 | 111 |

For context, the chart below shows the percentage of children exiting foster care in less than 12 months for SFY 2016 – ECA shows strong performance for SFY 2016. This is further supported by the fact that recent data (run as of August 31, 2017) also shows that the percentage of children who have been in care longer than 18 months is 25.05%, less than the statewide average.




| Percent of Children in OOHC by current Length of Stay | | |
|---|---|---|
| | 0-17 | 18+ |
| ChildNet-Broward | 60.16% | 39.84% |
| Community Partnership for Children | 62.49% | 37.51% |
| ChildNet-Palm Beach | 63.93% | 36.07% |
| Brevard Family Partnership | 66.07% | 33.93% |
| Families First Network | 66.26% | 33.74% |
| Our Kids of Miami-Dade/Monroe, Inc | 67.09% | 32.91% |
| Kids Central, Inc. | 68.87% | 31.13% |
| Eckerd Community Hillsborough | 69.22% | 30.78% |
| Big Bend CBC | 71.54% | 28.46% |
| Community Based Care of Central Fla | 71.79% | 28.21% |
| Community Based Care of Central Fla (Seminole) | 71.96% | 28.04% |
| Kids First of Florida, Inc. | 72.66% | 27.34% |
| Family Integrity Program | 72.73% | 27.27% |
| Sarasota Y/Safe Children Coalition | 74.20% | 25.80% |
| Eckerd Community Alternatives | 74.95% | 25.05% |
| Childrens Network of SW Florida | 75.08% | 24.92% |
| Heartland for Children | 76.40% | 23.60% |
| Devereux CBC | 76.85% | 23.15% |
| Partnership for Strong Families | 79.46% | 20.54% |
| Family Support Services of North Fla | 81.79% | 18.21% |
| Grand Total | 70.33% | 29.67% |

2.2. What activities are in place to provide support to protective investigators and families to permit children to remain safe in their homes?

In Pinellas County, Directions for Living, through its Family Works Program, provides in home safety management/diversion services for families whose children have been determined to be "unsafe". The program reported that prior to the rollout of safety methodology they served and diverted approximately 1100 children from the formal system per year, but due to guidance the program received related to confusion over the types of families who could be served in the new practice model at the onset of implementation, the program experienced a tremendous setback for approximately two years and has just recently been able to serve unsafe children again after clarifying language was added to their contract. The program utilizes a shared decision making model, is able to respond within 2 hours and provides wrap around services to families using child welfare professionals who are certified. Cases are staffed every 15 days with the majority of cases closing within 90 days. According to staff interviewed, there are still issues related to the practice model that could potentially be resolved through additional training opportunities.

In Pasco County, diversion services are provided through the Safe At Home Program. The program has capacity to serve up to 20 families at any given time where children have been determined to be "safe" but at high or very high risk as well as families whose children have been determined to be "unsafe." The ratio is 1:9 per worker and families are able to be seen as often as needed based on risk. Cases are staffed every 2 weeks and the program makes contact with the family 6 weeks after closure to ensure there are no additional services needed. Staff interviewed reported that both programs could benefit from additional resources as they are always at capacity.

Gulf Coast provides formal safety management services in Pasco county. Although there is no "waitlist" for the service, PCSO indicates that informal supports are used typically for families. Gulf Coast staff concurred, indicating that the community and families have strong informal supports available due to extended friends and families that have lived for generations in the area.

Safety Management services in Pinellas is reported to be always above capacity and "maxed" out. As stated above, ECA plans to put more resources into safety management programs in Pinellas County through the Family Works program.

2.3. What services are provided with funds used for prevention and diversion?

ECA has contracted for a robust array of prevention and diversion services. Pinellas County benefits from having a great deal of community support and a Juvenile Welfare Board whereas Pasco County being more rural has limited resources and no children's board. Transportation is often a barrier for families needing services. ECA recently invested an additional $500,000 to provide additional prevention and diversion services in Pasco County.

2.4. What evidence exists to show that investment in prevention and diversion services are, in fact, resulting in reduced flow of children into out-of-home care rather than just adding to the cost of services?

Prior to implementation of the new practice model Directions for Living was able to able to divert a large number of children from out of home care. The diversion program had a 94% success rate at both the six month and one year mark for the no re-abuse after services measure. The program suffered a major setback after confusion regarding the types of services that could be provided to children who were deemed "unsafe" and just recently been able to begin serving those children and families again through an amendment to their contract.

Similar results were reported for The Safe at Home Program reported success rates to be at 93% at the 6 month and 1year mark.

In addition, ECA has a team of 3 who primarily work to resolve DJJ lockout issues, handle walk in cases involving families requesting assistance, Parent Need Assistance Referrals, Children in Need of Services/Families in Need of Services (CINFINS) cases and community referrals. The team also has a family locator component that seeks to find relative and nonrelative placements to divert children from licensed care.

2.5. How well integrated are the CPI and diversion services components? Are there case transfer issues that affect performance?

In Pinellas County, CPI staff are co-located with case management staff as well as a number of service providers. Staff in Pasco County were co-located at one time but have since relocated. Reportedly, there is good communication on levels between agencies.

Staff interviewed reported case transfers between agencies causes friction in some areas, specifically there is a perception that during case transfer the discussion is to focused on if the investigator made the correct safety decision. It was also noted there appears to be a check list mentality of what is correct with the "packet" and/or what it is missing prior to being allowed to transfer. There is also a belief that due to a few recent high profile cases diversion in home services are "pushing back" on acceptance of some cases as well as challenging the appropriateness of that service to provide for those families.

Having a consistent process that supports engagement with a child focus and leadership decisions around resolving the barriers may relieve some of the transfer barriers.

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

3.1. What is the composition of the children in care including age cohorts, placement types, use of specialized higher costs settings, use of congregate care, etc.

ECA has generally been slightly below the statewide percentages for placement with relatives and non-relatives, and above the statewide average in family foster homes. They have remained slightly below the state percentages for residential group care (RGC) and other placement types.

| | % by Placement Type | | | |
|---|---|---|---|---|
| ECA-P/P | 9/30/17 | 6/30/17 | 6/30/16 | 6/30/15 |
| **RCG** | 44.0% | 42.1% | 41.4% | 40.1% |
| **nRCG** | 11.6% | 12.5% | 10.8% | 11.3% |
| **FFH** | 32.0% | 31.8% | 34.3% | 34.9% |
| **RGC** | 8.1% | 8.1% | 8.0% | 8.4% |
| **Other** | 4.2% | 5.5% | 5.5% | 5.3% |
| | | | | |
| | | | | |
| State | | | | |
| **RCG** | 44.6% | 45.1% | 45.0% | 44.6% |
| **nRCG** | 12.1% | 11.9% | 11.2% | 10.7% |
| **FFH** | 29.7% | 29.1% | 29.3% | 30.5% |
| **RGC** | 9.0% | 9.2% | 10.0% | 10.1% |
| **Other** | 4.7% | 4.7% | 4.4% | 4.1% |

There is a current shortage of placement options for youth. ECA reported that they are seeing more frequent denials for Specialized Therapeutic Foster Care (STFC) funding. They utilize the appeals process and attempt to wrap around the children with other Medicaid services. STFC families are shifting to a younger population of children as their preferred population.

Case Managers (CM) reported it is an almost daily occurrence to have children in the office during the day due to lack of placement and utilization of night to night placements. CM reported having to come in on weekends to watch children/youth who don't have a stable placement. While this represents a small percentage of children, it contributes to an overall feeling of crisis in the system.

ECA places 20.7% of children out of the circuit, compared to the statewide average of 18.4%. (as of 9/30/2017)

Using the Average Monthly Client Count by SFY charts below, ECA has experienced an increase in the number of children placed in out-of-home care this state fiscal year by 24% when compared to SFY 15/16. When comparing placement types, ECA has been able to maintain low facility based licensed care placements in total, but when broken out by county, Pasco County's facility based licensed care placements have increased significantly from SFY 16/17 to this state fiscal year while Pinellas County's facility based licensed care placements have decreased slightly.

| CIRCUIT 6 (Pasco/Pinellas) | Average Monthly Client Count by SFY | | | | Change 15/16 to 17/18 to date |
|---|---|---|---|---|---|
| | SFY 14/15 | SFY 15/16 | SFY 16/17 | SFY 17/18 *(thru Sept)* | |
| Approved Relative Care | 655 | 722 | 805 | 928 | 206 |
| Approved Non-Relative Care | 167 | 190 | 242 | 256 | 66 |
| Licensed Foster Care (Family Based Licensed Care) | 552 | 590 | 666 | 677 | 87 |
| Group Care & Residential Treatment Center (Facility Based Licensed Care) | 148 | 158 | 166 | 188 | 30 |
| All Other | 111 | 80 | 94 | 102 | 22 |
| Total OOH Care (using these Averaged Counts) | 1,633 | 1,740 | 1,973 | 2,151 | 411 |

Source: Child Welfare Dashboard – Children in Out-of-Home Care – Data Table; 11/10/2017
http://www.dcf.state.fl.us/programs/childwelfare/dashboard/

| PASCO COUNTY | Average Monthly Client Count by SFY | | | | Change 15/16 to 17/18 to date |
|---|---|---|---|---|---|
| | SFY 14/15 | SFY 15/16 | SFY 16/17 | SFY 17/18 *(thru Sept)* | |
| Approved Relative Care | 263 | 269 | 296 | 379 | 110 |
| Approved Non-Relative Care | 71 | 75 | 91 | 98 | 23 |
| Licensed Foster Care (Family Based Licensed Care) | 257 | 288 | 302 | 296 | 8 |
| Group Care & Residential Treatment Center (Facility Based Licensed Care) | 49 | 53 | 42 | 73 | 20 |
| All Other | 44 | 29 | 37 | 32 | 3 |
| Total OOH Care (using these Averaged Counts) | 684 | 714 | 768 | 878 | 164 |

Source: Child Welfare Dashboard – Children in Out-of-Home Care – Data Table; 11/10/2017
http://www.dcf.state.fl.us/programs/childwelfare/dashboard/

| PINELLAS COUNTY | Average Monthly Client Count by SFY | | | | Change 15/16 to 17/18 to date |
|---|---|---|---|---|---|
| | SFY 14/15 | SFY 15/16 | SFY 16/17 | SFY 17/18 *(thru Sept)* | |
| Approved Relative Care | 392 | 452 | 509 | 550 | 98 |
| Approved Non-Relative Care | 96 | 115 | 151 | 159 | 44 |

| | | | | | |
|---|---|---|---|---|---|
| Licensed Foster Care (Family Based Licensed Care) | 295 | 302 | 364 | 382 | 80 |
| Group Care & Residential Treatment Center (Facility Based Licensed Care) | 99 | 105 | 124 | 115 | 10 |
| All Other | 67 | 51 | 58 | 70 | 19 |
| Total OOH Care (using these Averaged Counts) | 949 | 1,025 | 1,206 | 1,276 | 251 |

Source: Child Welfare Dashboard – Children in Out-of-Home Care – Data Table; 11/10/2017
http://www.dcf.state.fl.us/programs/childwelfare/dashboard/

When compared to statewide totals of children placed in a Group Care setting on 9/30/2017, ECA's percentages are less than the state average for the 0 – 5 and 6 – 12 age cohorts and greater than the state average for the 13 – 17 age cohort for each county:

| Age Cohort | Pasco | State |
|---|---|---|
| 0 – 5 | 1.6% | 4.8% |
| 6 – 12 | 31.3% | 32.5% |
| 13 – 17 | 67.2% | 62.7% |

| Age Cohort | Pinellas | State |
|---|---|---|
| 0 – 5 | 0.9% | 4.8% |
| 6 – 12 | 26.1% | 32.5% |
| 13 – 17 | 73.0% | 62.7% |

Source: Child Welfare Dashboard – Children in Out-of-Home Care – Data Table; 11/10/2017
http://www.dcf.state.fl.us/programs/childwelfare/dashboard/

3.2. What is the cost of various placement types? To what extent are the rates paid for foster care (including care with various rates of intensity), congregate care consistent with statewide norms (considering community context)? Have these rates remained relatively consistent over the past few fiscal years?

When a child is placed in a licensed foster home by ECA, the rate is determined by Placement staff based on the child's age and level of need. For those children being placed who only require the standard level of supervision and need, the room and board rates, except for the 0-5 age group, are the same amounts as prescribed in s. 409.145(4), Florida Statutes. Please see chart below.

| Age Range | Monthly Room & Board Rate s. 409.145(4), Florida Statutes (with COLA increase effective January 1, 2017) | Monthly Room & Board Rate Circuit 6 |
|---|---|---|
| Zero to Five (0 – 5) | $448.53 | $456.00 |
| Six to Twelve (6 – 12) | $460.02 | $460.02 |

| | | |
|---|---|---|
| Thirteen to Seventeen (13 – 17) | $538.43 | $538.43 |

However, if the children have been identified as requiring a higher level of need than the established rates indicated in the above chart, ECA has established "enhanced" levels for the payment amounts which are greater than the codified room and board rates paid for the foster home placements.

The Enhanced Room & Board rates are for those children requiring higher level of needs such as, individual therapies, increased visitations, special needs, and experiencing serious emotional disturbance. The Enhanced Therapeutic room & board rates are for those children who meet the criteria of a therapeutic placement and require even higher level of needs such as, individual therapies, increased visitations, special needs, extra monitoring, moderate to severe emotional or behavioral management problems, and a medical diagnosis. The High-end Teen/Youth room & board rate are for teens and youth who have disrupted from several placements or have very specific high-end needs. These are also teens/youth who have a formal diagnosis and have issues in the past of self-harm, aggression, Department of Juvenile Justice (DJJ) involvement, sexual abuse, lying, stealing, eating disorders, and emotional immaturity.

Below is a chart of SFY 16/17 and the current state fiscal year's monthly payment amounts for the standard and enhanced traditional foster home room and board rates, including the total number of children served during the state fiscal year by these traditional room & board rates:

| **Age Range / Standard and Enhanced Traditional Room & Board Levels** | | **SFY 16/17** | | **SFY 17/18 *(thru Sept)*** | |
|---|---|---|---|---|---|
| | | **Monthly Room & Board Rate** | **Number of Children Served** | **Monthly Room & Board Rate** | **Number of Children Served** |
| Zero to Five (0 – 5) | Standard Rate | $456.00 | 529 | $456.00 | 423 |
| | | $500.00 | 47 | $500.00 | 4 |
| | | $600.00 | 1 | $600.00 | 1 |
| | | $700.00 | 5 | $700.00 | 5 |
| | | $900.00 | 0 | $900.00 | 2 |
| | | $1,500.00 - $1,642.00 | 5 | $1,500.00 - $1,642.00 | 1 |
| Six to Twelve (6 – 12) | Standard Rate | $460.02 | 239 | $460.02 | 110 |
| | | $500.00 | 10 | $500.00 | 0 |
| | Enhanced Rate | $600.00 | 4 | $600.00 | 2 |
| | | $750.00 | 9 | $750.00 | 11 |
| | Enhanced Therapeutic Rate | $800.00 | 5 | $800.00 | 3 |
| | | $900.00 | 6 | $900.00 | 6 |

| | | | | | |
|---|---|---|---|---|---|
| | | $1,000.00 | 4 | $1,000.00 | 0 |
| | High-end Youth Rate | $1,500.00 - $2,500.00 | 2 | $1,500.00 - $2,500.00 | 0 |
| Thirteen to Seventeen (13 – 17) | Standard Rate | $538.43 | 83 | $538.43 | 30 |
| | Enhanced Rate | $600.00 | 8 | $600.00 | 1 |
| | | $750.00 | 18 | $750.00 | 7 |
| | Enhanced Therapeutic Rate | $800.00 | 3 | $800.00 | 5 |
| | | $900.00 | 10 | $900.00 | 5 |
| | | $1,000.00 | 11 | $1,000.00 | 5 |
| | High-end Teen Rate | $1,640.00 | 20 | $1,640.00 | 9 |
| | | $2,000.00 - $3,000.00 | 6 | $2,000.00 - $3,000.00 | 2 |

Source: Payments & Client Count obtained using the FSFN OCA Summary & Detail Report via Tableau (Payments processed through 9/30/2017): Payment Service Dates 7/1/2016 – 9/30/2017. Enhanced Traditional Room & Board Rate descriptions provided by Eckerd – Pasco /Pinellas on 11/27/2017.

As of the September 2017, child placing agency fees – administration only, have remained constant from SFY 16/17 to this fiscal year at a “Filled Bed Day Rate” of $11.75/day for all children in out-of-home care. However, the support services provided by these same child placing agency providers fluctuate by child based on the child’s age and his/her level of need identified.

| **Child Placing Agency Fee – Support Services Only** (Per Filled Bed Day Rate) | | |
|---|---|---|
| Provider | Age 0-12 | Age 13-17 |
| Camelot Community Care, Inc. | $27.25/day | $25.25/day |
| Carlton Manor, Inc. | $27.25/day | $25.25/day |
| Devereux | $83.25/day | $83.25/day |

Source: Payments & Client Count obtained using the FSFN OCA Summary & Detail Report via Tableau (Payments processed through 9/30/2017): Payment Service Dates 7/1/2016 – 9/30/2017.

3.3. What is the cost for dependency case management? Is this consistent with norms for such services? Have these rates remained relatively consistent over the past few fiscal years?

For SFY 16/17, ECA had three (3) providers for dependency case management, which also included the adoptions case management:

| | |
|---|---|
| Directions for Living - | $ 4,372,543 |
| Lutheran Services FL - | $ 4,482,576 |
| Youth & Family Alternatives, Inc. - | $ 4,686,528 |
| Total | $13,541,647 |

For the new fiscal year, the decision was made by ECA to add funding to the case management contracts for 30.5 positions to get to caseloads of 1:17 even though this would create expenses that exceed their contract revenues and contribute to setting them up for a deficit for the year. ECA reported that they knew they didn't have the dollars for case management expansion, but felt the need justified the decision.

With the addition of FTEs being added to the CMO contracts, the projected expenditures for SFY 17/18 are:

| | |
|---|---|
| Directions for Living - | $ 4,418,023 |
| Lutheran Services FL - | $ 4,878,615 |
| Youth & Family Alternatives, Inc. - | $ 5,424,452 |
| Total | $14,721,090 |

However, not included in these CMO contract projections are ECA's plan to provide retention bonuses to the front-line case managers this state fiscal year in the amount of $101,250.00

The total increase for additional case managers and the proposed retention bonuses is $1,280,693 when compared to last state fiscal year.

In addition to the increase in FTEs for the CMO contracts, ECA also added 7 FTEs of Lead Agency placement staff due to the increase of children coming into out-of-home care. The projected salaries and benefits for the Lead Agency increased by $558,000 for this state fiscal year when compared to the expenditures incurred for SFY 16/17.

ECA indicated that five (5) of the licensed group home providers had been asking for rate increases and, as of this fiscal year, these rates were renegotiated for an averaged 41% increase to these contracted daily rates. This new rate is effective for new placements only while current placements were grandfathered under the old rate until April 2018.

Overall, when comparing the SFY 16/17 year-end expenditures to the projected expenditures for SFY 17/18, the expenditures for ECA, per the Lead Agency's first quarter projections, are expected to increase by $3,052,097. This is based on ECA's submitted Spending Plans for 6/30/2017(SFY16/17) and 9/30/2017(SFY17/18), which does not include the one-time initiatives described in the risk pool funding application submitted by ECA.

3.4. To what extent is the Lead Agency appropriately utilizing non-child welfare funding for services (such as DCF SAMH Funds, Medicaid, and other non-DCF funding sources).

Very little is spent on Substance Abuse and Mental Health (SAMH) services due to utilization through case management and the area's Managing Entity (ME) or Medicaid. ECA is experiencing denials from Medicaid for their Specialized Therapeutic Foster Care (STFC) Homes Levels 1 and 2 to foster parents. They may have to pay them until the appeals process results in Medicaid paying instead.

ECA has twenty-three (23) Agency for Persons with Disabilities (APD) eligible clients, of which ten (10) of these placements are $200+/day + $583.43/month placements. Once a client becomes enrolled in the APD waiver, the $583.43/month room & board rate would continue to be paid by ECA and the rest paid by APD once enrolled. Until these eligible children are actually APD enrolled, ECA will continue to pay approximately $60,000/month for the APD eligible services being provided to these children. This is approximately a $720,000 annual cost that is being absorbed by ECA. In addition, there are currently eleven (11) other clients with a pending APD application to the waiver.

Both case management and ECA staff reported that the judiciary is ordering expensive and unnecessary services and that other funding streams could be utilized if it were not for the orders.

The circuit has a strong approach to potential crossovers/lockouts from the DJJ system. It includes very early communication between DJJ and Child Welfare prevention and strong family engagement

3.5. What evidence exists that case management services are well-managed by the Lead Agency?

Lead agency staff is co-located with CMO staff. ECA regularly utilizes performance data to track CMO performance - multiple reports come out each week. There is a weekly data call and PQI system meeting every other month. ECA participates by reviewing cases, case transfers and rapid safety reviews.

CMOs indicate a desire to have more input into decision making. For example, conditions related to placements may be negotiation with a caregiver and CM is told what those conditions are. They would like to be part of the dialogue to come up with solutions. Additionally, the CMO leadership would like to be more engaged in system decisions and offering input into solutions for the caseload crisis.

Case Management has taken on the on-call work that was previously handled through a specific contract with Camelot. This is for after-hours assistance and transportation of children/youth. CM reported that they are responsible for watching and transporting children that don't have stable placements for their caseload as well as for cases that haven't yet transferred from the PIs.

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

4.1. What is the performance of the Lead Agency in the recognized measures of children achieving permanence? Do these findings indicate that children are not remaining in care for longer than necessary? Are these permanency achievement rates consistent across placement settings?

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] The current performance represents a significant decline from a year ago for children achieving permanency within 12 months – they were at 56.9% at that point – the 2nd highest in the state.

| Measure | National Standard | ECA | Statewide |
|---|---|---|---|
| Children Achieving Permanency within 12 months of removal (children removed in July through September 2016) | 40.5% | 36.6% | 39.1% |
| Children in Care 12-23 Months Who Achieved Permanency within an Additional 12 Months. | 43.6% | 51.7% | 53% |
| Children in Care 24 or More Months Who Achieved Permanency within an Additional 12 Months. | 30.3% | 40.2% | 36.9% |

4.2. What contextual factors (such as Children's Legal services, dependency court dynamics, etc.) influence time to permanence for children served by the Lead Agency?

There are three key standards for timeliness of judicial handling that are tracked monthly[2]. For children with a disposition during SFY 2017, the median number of days from shelter to disposition in Circuit 6 was 28 days compared to the statewide median of 60 days. Median days from Termination of Parental Rights (TPR) to Entry of Final Order was 130 days compared to the statewide median of 154 days. On the measure of the percentage of children with a goal of reunification extended past 15 months and no TPR activity, Circuit 6's percentage of 7.5% was higher than the statewide average of 6.9%.

[1] Child Welfare Key Indicators Monthly Report, October 2017
[2] Child Welfare Key Indicators Monthly Report, October 2017

It was reported that the court system has a strong focus on reunification and adoption and they don't tend to embrace permanent guardianship.

The court and attorneys still focus on case plan compliance, they have not yet shifted to utilization of conditions for return.

It was reported that the relationship with the State Attorney's office was strong, that there is good communication with case managers. They are viewed as helping to move cases to permanency.

Guardian Ad Litem (GAL) leadership has attended safety methodology training. There is an understanding of the shift to conditions for return, but indicated that not everyone is bought in and it is hard to explain to the volunteers.

Case Management reported that GALs participate in staffings and generally are in alignment with case direction at that point, but that at court the GAL attorney often go in a different direction than what was discussed in the staffing.

It was reported that there has been an increase in contention regarding case decisions and a more adversarial nature around the work during the year.

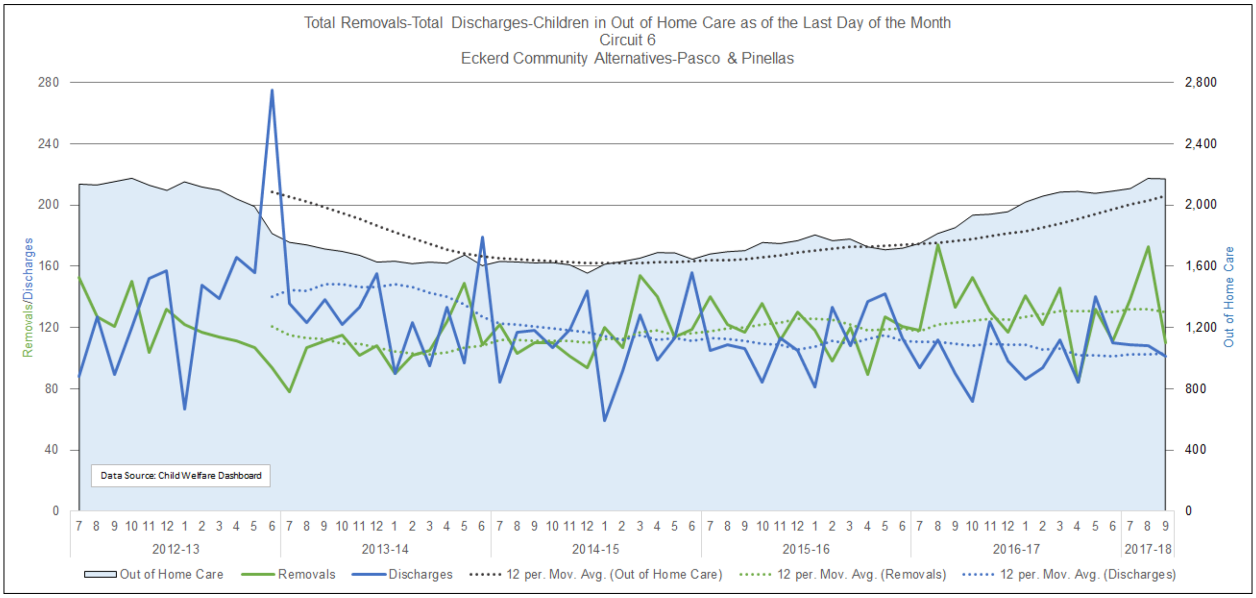
Court created a "contested docket" to keep up with these cases.

GAL and CM reported increasing demands from court for additional visits and services for families which is compounding the increase workload associated with the higher number of children coming into care.

ECA is taking on a deep analysis of how court is running. They are looking at the number of hearings and number of cases being heard. In a recent review, they found that 80% of cases had a hearing in the month.

4.3. Has there been a change in number of exits or time to exit that is materially influencing the cost of out-of-home care?

A visual display of the relationship between removals, discharges and out-of-home care levels shows that when removals began increasing, discharges decreased resulting in the significant increase in OOHC.




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

5.1 How has core services funding changed over time? How has the Lead Agency managed these changes? What adjustments to the available array of services have been made?

**Total Funding**

| DCF Contract Funds Available (by Fiscal Year) | FY12-13 | FY13-14 | FY14-15 | FY15-16 | FY16-17 | FY17-18 |
|---|---|---|---|---|---|---|
| Core Services Funding | $42,119,221 | $46,862,560 | $46,205,052 | $44,550,216 | $44,759,756 | $45,555,137 |
| Risk Pool Funding | $0 | $0 | $0 | $0 | $0 | $0 |
| CBC Operations "Back of the Bill" Funding | $0 | $0 | $0 | $0 | $0 | $0 |
| Other Amendments to Initial Allocations | $32,111 | $67,010 | $100,506 | $740,821 | $119,700 | $0 |
| **Amended Core Services Funding** | **$42,151,332** | **$46,929,570** | **$46,305,558** | **$45,291,037** | **$44,879,456** | **$45,555,137** |
| **Funding not defined as core servcies funding** | | | | | | |
| Independent Living (IL and Extended Foster Care) | $1,386,293 | $1,386,293 | $1,386,293 | $1,386,293 | $1,386,293 | $1,630,662 |
| Children's Mental Health Services (Cat 100800/100806) | $647,125 | $647,125 | $647,125 | $647,125 | $647,125 | $647,125 |
| PI Training, Casey Foundation or other non-core svcs | $0 | $0 | $0 | $0 | $0 | $0 |
| Safety Management Services (Nonrecurring) | $0 | $0 | $0 | $0 | $604,942 | $0 |
| **Total at Year End** | **$44,184,750** | **$48,962,988** | **$48,338,976** | **$47,324,455** | **$47,517,816** | **$47,832,924** |
| Maintenance Adoption Subsidy (MAS) | $13,825,670 | $15,794,651 | $17,321,233 | $19,028,560 | $19,666,457 | $20,080,661 |
| MAS Prior Year Deficit | $0 | $0 | $0 | -$642,471 | $0 | $0 |
| Carry Forward Balance from Previous Years | $345,452 | -$2,250,750 | $1,470,997 | $2,717,806 | $1,125,711 | -$195,642 |
| **Total Funds Available** | **$58,355,872** | **$62,506,889** | **$67,131,206** | **$68,428,350** | **$68,309,984** | **$67,717,943** |

ECA received a special non-recurring appropriation of $4M in SFY 13/14 and another $2.75M in SFY 14/15. These proviso amounts were used to offset a $2.25M deficit from SFY 12/13 and to continue or expand services in SFY13/14 and SFY 14/15. The increase to core funding for SFY 16/17 was relatively minor at $200K and increased by another $800K in SFY 17/18 but that was offset by the loss of $600K in non-recurring funding for Safety Management Services.

In SFY 16/17, ECA funded a Project Hope/Parent Mentor contract provided by one of their case management organizations, Directions for Living, in the amount of $1,091,777 that was discontinued in SFY 17/18.

5.2 How have any changes to core services funding contributed to any projected deficits for SFY 2016-2017?

Core services funding has not substantially increased in the past two state fiscal years; however, expenditures have increased significantly, specifically in licensed care as shown in the table below.

Administrative costs have also increased each year from ~$2.2M (or 3.4%) in SFY13/14 to ~$2.6M (or 3.9%) in SFY16/17. The percentage of administrative costs has also increased relative to the total funding each year.

**Expenditures on Core Services and Administration**

| Reported Expenditures by | **FY12-13** | **FY13-14** | **FY14-15** | **FY15-16** | **FY16-17** |
|---|---|---|---|---|---|
| Administrative Costs | $2,329,188 | $2,180,820 | $2,392,379 | $2,436,167 | $2,597,942 |
| Admin Cost Rate (Exp as % of | 4.0% | 3.4% | 3.6% | 3.7% | 3.9% |
| **Core Services Expenditures** | | | | | |
| Dependency Case | $22,627,128 | $23,342,145 | $23,944,866 | $22,777,140 | $22,976,849 |
| Adoption Services Promotion | $247,924 | $268,753 | $324,697 | $316,130 | $203,597 |
| Prevention/Family | $3,278,103 | $4,391,293 | $4,574,182 | $4,899,705 | $4,391,775 |
| Client Services | $2,219,106 | $2,139,853 | $4,288,192 | $4,516,934 | $3,769,004 |
| Training - Staff and | $405,664 | $508,090 | $628,950 | $1,563,271 | $1,506,928 |
| Licensed Family Foster | $4,591,985 | $3,662,121 | $3,938,083 | $4,153,357 | $4,702,184 |
| Licensed Facility Based Care | $8,824,516 | $7,028,260 | $5,833,173 | $6,610,443 | $7,337,139 |
| Other | $476,936 | $609,758 | $771,202 | $609,203 | $969,918 |
| **Core Services** | **$42,671,362** | **$41,950,272** | **$44,303,345** | **$45,446,183** | **$45,857,393** |

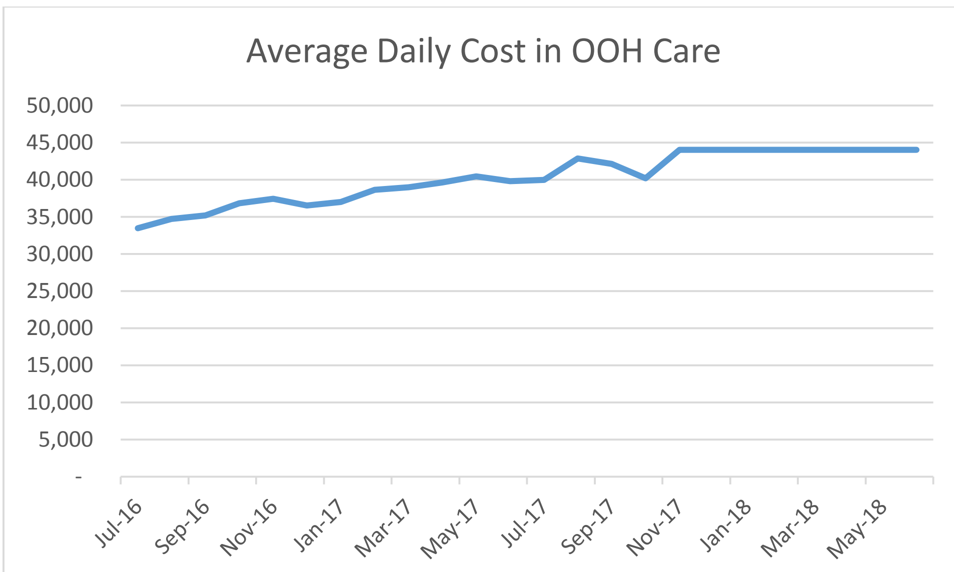
5.3 In what ways are funding dynamics in the Lead Agency unique or atypical of funding in other Lead Agencies?

No unique or atypical funding was identified.

5.4 What is the amount of the anticipated deficit for the current year? How reliable and valid are these projections?

ECA submitted a revised risk pool application requesting $3.9M; however, a review of their latest quarterly projection reflects ECA as expecting to end SFY 17/18 with a deficit of $ 3.7M. In their latest projection, average daily Out-of-Home Care (OOHC) expenditures are projected to average ~$44,000/day for the remainder of the year (November through June) which was based upon the cost of all placements as of October 29th. This is a significant increase over the first three months which was ~$41,600/day; this excludes the annual clothing allowances paid in July. ECA tracks OOHC expenditures to include licensed maintenance (aka room & board) payments to foster parents and residential group care facilities in addition to services provided to those children while in those placements.

The average daily rate in July 2016 was $33,474/day and increased steadily to $39,828/day or by almost 19% in June 2017. The September 2017 average daily rate was $42,148/day which was another 5.8% greater than June 2017. The daily average cost projected by ECA for the remainder of this state fiscal year is ~4.6% greater than September 2017.




5.5 Are their options other than Risk Pool funding available to reduce the deficit?

In November, Eckerd – Pasco/Pinellas submitted a revised risk pool application for $3.9m which reflects a $200k ask above the actual deficit Eckerd has projected to end the fiscal year with. The latest spending plan received by Eckerd (November 2017) has a projected deficit of $3.7m at year-end.

$ 3,765,698 Eckerd – Pasco/Pinellas' SFY17/18 spending plan projected deficit

(380,149) Reduced by the Maintenance Adoption Subsidy deficit

(83,599) Reduced by the available CBCIH projected surplus

$ 3,301,950 SFY17/18 projected deficit

This is the amount considered for risk pool funding.

What is not included in the above projected deficit is the amount of $554k for the one-time initiatives Eckerd – Pasco/Pinellas included in their November 2017 revised risk pool funding application. In addition, adoption incentive funds were earned for meeting adoption goals under the CBC contract; however, the allocation of these funds has not yet been determined for SFY17/18, nor has it been included in Eckerd's available revenue for SFY17/18.

Without receiving any risk pool funds, ECA will have to use a combination of delaying payments to providers, accessing a line of credit, and requesting expedited payment of monthly invoices from the State; however, based upon the projected deficit, even these strategies will not be enough to make it through the end of this state fiscal year without affecting cash flow. Safely decreasing the number of children in licensed facility based (residential group) care, as well as the number in out-of-home care in general would also help, but it is not anticipated that this will occur in time for ECA to end this state fiscal year without a deficit.

If ECA does not implement the one-time initiatives of $553K, which includes $101k in case management organization retention bonuses, as well as several other initiatives described in their Risk Pool Funding Application, then their deficit would be decreased by this amount. However, as described by ECA, these one-time initiatives are needed to further reduce the overcrowding of their child welfare system by supporting front-line staff, identify family connections, and to safely exit youth from care.

5.6 If the Lead Agency meets the criteria for Risk Pool funding, but the amount of funding available is insufficient to cover the projected deficit, what other options are available?

The $5M in Risk Pool Funding is not sufficient to meet the projected deficits of all the CBC applicants therefore prioritization on allocating based upon meeting minimum cash flow needs through the end of April is necessary. Obtaining additional funding from the Legislature during the 2018 Session in order to meet projected deficits or at a minimum provide additional funding to allow the CBCs to meet cash needs until receiving their two-month advance in July 2018 will be necessary.

5.7 Are there fiscal practices that could be completed with greater efficiency in order to reduce the projected deficit?

While ECA has focused on reducing reliance on the most expensive types of placement and services, it is recommended that they analyze financial data on placement and services that are not necessarily the highest, but above the mean for licensed care.

ECA should also take steps to address two findings from their most recent CPA Audit (see 5.8 below).

5.8 Has the most recent CPA audit indicated any issues that would affect the financial health of the organization?

According to the June 30, 2016 CPA Audit, “The Organization does not have consistent documented review processes between their community alternative jurisdictions. One of two jurisdictions has no formal policies, procedures or documentation related to their quality control processes over eligibility for individuals. (Material Weakness)”

“For Community Based Care – Out-Of-Home supports, the Organization does not have consistent documented review processes between their community alternative jurisdictions. During the first half of the year, there were no formalized quality control processes and procedures in place to the specific CSEC eligibility requirements. (Material Weakness)”

**6. Findings related to overall management.**

6.1. To what extent is there clear and effective communication between and among the Region, the Lead Agency, the Sheriff (if applicable), case management organizations and other key community partners?

GAL reported relationship with ECA is good and communication is strong. In service training and communication with leaders at the CMOs help to keep relationships strong.

CMOS report that level of partnership and inclusion in decision making could be improved. They would like more two-way communication and engagement in problem solving to get out ahead of issues. The system management has tended to be hierarchical in nature rather than inclusive.

CMOs report that relationship with DCF is solid.

6.2. How actively and effectively does Lead Agency management track programmatic performance and fiscal performance?

It was reported that ECA is very strong with regard to data compilation/analysis and data discussions and that there is a strong emphasis to meet performance measures. However, at times it can seem like the focus is only on the data.

There is a weekly data call to review performance. Data reports are sent regularly. There are regularly monitoring and random QA reviews.

6.3. What actions have been taken by the Region and/or the Lead Agency to resolve the fiscal issues without accessing the Risk Pool? What further actions are planned?

ECA initially did apply for risk pool funds in the prior state fiscal year but later withdrew their application as they had hoped to resolve their fiscal issues without having to access the risk pool.

6.4. If potential corrective actions or technical assistance is recommended by the Peer Review Team, what is the commitment of the Region and the Lead Agency to follow through on those recommended actions?

The Region and ECA have expressed commitment to follow through on recommended actions.

## 7. Other Findings and Considerations – Financial Viability Plan

The Financial Viability Plan submitted by ECA describes the increase in licensed care as the driver of increased costs. Their Action Plan is lengthy and includes the following areas:

1. Increase revenue
2. Increase foster home capacity
3. Increase foster hone retention
4. Reduce the number of children in OOHC
5. Reduce CBC costs for APD eligible children
6. Review administrative rate
7. Identify contract changes to reduce expense
8. Reduce entry into child welfare system

**Summary of Findings and Conclusions**

- Removals have increased significantly and continue to do – now at a level well above the statewide average.
- For the 17-18 fiscal year, the decision was made by ECA to add funding ($1.2M) to the case management contracts for additional positions to reduce caseload to 1:17. The decision was made by ECA leadership with the knowledge that this would create expenses that exceed their contract revenues and set them up for a deficit for the year. This accounts for approximately 1/3 of their projected deficit.
- Although they were projecting a deficit, ECA made the decision to provide rate increases to five (5) of the licensed group home providers this fiscal year. These rate changes represent an average 41% increase for these services.
- The system's diversion services were shifted shortly after Safety Methodology rollout to align better with the methodology. The system leadership acknowledges that this shift likely contributed to the increase in shelters and has made recent changes to reinstitute true diversion programming.

**Recommendations**

The Peer Review Committee recommendations that ECA receive risk pool funding to cover their deficit as a first priority and potentially the one-time initiatives (if funds are available) contingent upon the agreement of the Region and the Lead Agency to implement the following (see Attachment 1 for discussion of assessment of reasonableness of funding request):

1. Continue reviewing the high cost placements for children who may be eligible for other funding sources.
2. ECA should also take steps to address two findings from their most recent CPA Audit
3. ECA should reevaluate their decision to engage in deficit spending to reduce case manager caseload to 1:17. Additionally, ECA should conduct an assessment of other less costly strategies for reducing the workload burden on the front-line case managers that can be implemented in lieu of adding case management positions. Consideration of other less costly strategies should include, but not be limited to: temporary positions such as family support workers or transporters, addition of a small number of supervisors to better support front line case managers that have high caseloads, pausing initiatives/projects that place a high workload demand on the front line staff, utilizing less workload intensive initiatives that are designed to safely close cases such as Rapid Permanency Review, engage stakeholders (including court, GAL, DCF, Protective Investigators, State Attorney's office and providers) in a review of all system specific practices and requirements in order to identify opportunities to streamline case management work/reduce workload demands on front line case managers, and explore strategies to keep Case Managers daily work tasks focused on critical safety issues. Note, this may mean relieving Case Managers of other less critical expectations. This evaluation should be done collaboratively with their case management organizations.
4. Continue to work to resolve the identified issues with placement timeframes
5. Re-educate CPIs on how the diversion programs can be utilized since there have been multiple changes in the contract.
6. Begin utilizing conditions for return staffings
7. Continue to focus on a more collaborative management style as opposed to a top-down style.
8. ECA should analyze and implement a plan to prudently reduce their administrative costs which have increased each year since SFY13/14.

In addition to these recommendations, the Peer Review Team noted

1. ECA should evaluate if the children are currently placed in a placement that exceeds what the child's true need is and "step down" to a Placement that is more appropriate. This same concept should be completed for Residential Group Care Placements as well.
2. Refresher training for all staff on the practice model to clarify some of things that have been identified as confusing may be helpful

**ATTACHMENT 1 – Assessment of reasonableness of request**

SFY 2016 saw an increase in removals resulting in 132 more children coming into system beginning in July. This results in an average daily census impact for cost of 66; the OOHC census would be expected to increase by 132 from 6/30/16 to 6/30/17. ECA's census increased from 1699 to 2076, by 377. This indicates issues other than the removals. Certainly, an increase in removals stresses a system such that back-end practice slows down temporarily. However, this increase represented less than 10% of the total OOHC census so we would have expected less deterioration on the back-end.

That being said, ECA had a fairly low OOHC census relative to annual removals because they had been very successful in discharging children in 12 months. The increase in removals placed stress on the system resulting in a disproportionate increase in OOHC. If we assume an average length of stay of 16 months (which is not unusual in a system under stress – some we may assume to be 18 months), in a year with typical removals, we would expect an average OOHC census of 1904 (119 removals times 12 months times 1.3). Add the 132 children to that and the ending census may have been 2036, very close to the 2076. Thus, we conclude that even though the census increase was disproportional to the removal increase, it is not unreasonable.

During SFY 2017, ECA spent a $1.1m carry forward and ended with a $200k deficit so actual core deficit was $1.3m. The 377 census increase would have had an impact on the licensed care budget of about $1.3m (see calculation below), so prior year spending is in line with what we would expect.

- 377 census increase equals
- 188.5 average daily census (ADC) increase
- Times 48% historical placement in licensed care (52% go to RCG, nRCG)
- Equals 90.48 ADC in licensed care
- Times $1174 average monthly cost of licensed care
- Equals $1.275m

When there is an increase in removals, it can often be managed with increases in licensed care payments and other client services only. If the increase is sustained, other costs may need to be increases such as case management and front-end services to manage the increase.

For SFY 2018, we can do a similar analysis to determine the reasonableness of the risk pool request. First, we consider the impact of children coming into care prior to SFY 2018. If removals dropped back down to SFY 2016 levels, we would expect the census to begin decreasing in November of SFY 2018 (with the 16 month average length of stay, for children who entered July 2017). The net monthly census decrease would be expected to be about 23 (377 divided by 16 months) resulting in an ending census of about 1887.50, or an ADC of 2013.

Comparing this to the 6/30/16 census of 1699, the budget impact would be $2.1m:

- 314 ADC increase from 1699 to 2013
- Times 48% in licensed care equals 150.72
- Times $1174 average monthly cost of licensed care
- Equals $2.123m

Unfortunately, ECA's removals have not decreased. SFY 2018 is at a rate even higher than SFY 2017 – 140 removals per month which will result in 252 additional removals in SFY 2018. This will result in additional cost of $852k:

- 252 census increase equals
- 126 average daily census (ADC) increase
- Times 48% historical placement in licensed care (52% go to RCG, nRCG)
- Equals 60.48 ADC in licensed care
- Times $1174 average monthly cost of licensed care
- Equals $852k

Thus, all things being equal, a risk pool request of $2.975m would not be unreasonable based on licensed care costs alone. If we add other variable costs (referred to as Other Client Services, or OCS) we would add another $843k (see calculation below) to the amount to get to $3.8m.

Despite a determination that $3.8m would be reasonable, a Lead Agency bears some responsibility in reducing other costs to manage within their budget. Some strategies include focusing on more Relative Care Giver (RCG) and Nonrelative Care Giver (nRCG) placements, eliminating non-essential contracts, offsetting costs with other sources of revenue, reducing administrative costs, etc. In addition, just because the calculation is licensed care costs, a Lead Agency may not necessarily spend funds in licensed care, especially if they can increase the rate of placement with relatives. Every Lead Agency is different and should approach this in a way that best fits their system of care.

ECA is projecting a $3.3m deficit and have requested an additional $.5m for one-time costs, for a total of $3.8m. In SFY 2018, they received a net of $190k in core service funds plus $244k in IL funds (costs that have historically been covered with core funds), for a net positive impact of $434k. We would expect this to offset the "reasonable" deficit of $3.8m for a net request of $3.4m before one-time costs. Part of the reason ECA's request is higher is due to the decision to add $1.3m in case management costs to get caseloads to 1:17 – 30.5 FTE's. Certainly with the sustained caseload increase that ECA is experiencing, additional case manager positions are necessary. However, while a caseload of 1:17 is certainly desirable, most CBC's facing a deficit would not choose to incur that much cost; many manage at average caseloads of 20.

It is extremely difficult to estimate what the correct number of case manager positions should be because turnover plays a significant role – if turnover is high, there are a lot of new case managers who can carry limited caseloads for a certain period of time. This means that average caseload numbers are deceiving – the range of caseloads can still result in some case managers having very high caseloads, resulting in a need for a lower average caseload.

All that being said, with a reasonable expected request of $3.4m, the $3.8m is only $400k above that which would be realistic for the additional case managers. As such, we support consideration of ECA's risk pool request to cover their deficit as a first priority and if funds are available, to fund the one-time initiatives.