Children’s Services Reform Initiatives

Presentation to
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House Appropriations Committee
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Virginia’s Reform Initiatives

We are engaged in a number of interrelated efforts to fundamentally change how human services are delivered to children and families in the commonwealth.

Change Drivers

- First Lady’s “For Keeps”
- Sharply Increasing CSA Costs
- Annie E. Casey Study Findings

Reform Initiatives

- Budget and Legislative
- Council on Reform
- Administrative Changes
CSA Expenditures

- $342.2 million in FY07 ($219.7 state; $122.5 local)
- $47.2 million increase ($30.2 million state; $17 million local)

* In FY07, average local match was 36%; average state match was 64%; ranging from 17% to 53%.
Budget and Legislative Initiatives

- $22.6M to increase payments to foster care and adoptive families
  - 15% increase in first year, 10% increase in second year
    - $7.9 M (GF) and $5.2 M (NGF) in FY 2009
    - $14.8 M (GF) and $8.4 M (NGF) in FY 2010

- $4.4M to enhance child welfare worker training
  - $2.2 M (GF) and $1.4 M (NGF) in FY 2009
  - $2.2 M (GF) and $1.4 M (NGF) in FY 2010
Budget and Legislative Initiatives

- $6.9M to improve the recruitment and retention of foster parents
  - $3.4M (GF) and $1.1M (NGF) in 2009
  - $3.6M (GF) and $1.2M (NGF) in 2010
  - 17 FTEs to work in regions to assist localities recruit, train, and support foster families

- $300,000 to collect outcome data on children served by the CSA
Budget and Legislative Initiatives

Changes in CSA State/Local match rates - Aligning financial incentives and service goals.
Savings:$12.5 million

- Reduces the local match rate for community based services while increasing the local match rate on congregate care.
- Changes will be phased in over 3 years to allow localities to conduct training and establish community-based services.
- $12.5 million represents a reduction of only 5% of the projected expenditures for congregate care over the biennium.
- A simple reduction in congregate care bed days used can produce savings.
  - Statewide average LOS is 7 months
    - National average LOS is 5 months
CSA Budget

Total CSA Costs (2006) = $295 million*

Other 3%

Congregate Care 45%

Foster Care 4%

Therp. Foster Care 17%

Community-Based Services 9%

Special Ed Placements 22%

CSA Funding Shortfall:
- Caboose Bill
  - $54 million
- SFY09
  - $65 million
- SFY10
  - $93 million

Source: CSA Data 2006

* Does not include Medicaid dollars
Legislative Initiatives

- SB 493, HB 825 - Establishes minimum training requirements for foster care and adoption workers.
- SB 25, HB 811 – Extends eligibility to allow a relative to receive TANF payments for relative child in certain cases. Will produce GF savings of $283,000.
- SB 394, HB 750 – Eliminates De Novo Appeal from the J&DR Court to Circuit Court on Adoption planning and termination of parental rights cases.
Council On Reform (CORE)

- With the assistance of the Casey Foundation, the Council on Reform has been established to help lead this reform effort.
  - Phase I – Work with 13 localities to develop shared vision for children’s services and best practices at state and local levels.
  - Phase II – Implement reform statewide.
Administrative/Policy Initiatives

- Ensuring the provision of “Care Coordination” for children in or at risk for placement in congregate care settings.
- Policy clarification regarding the provision of “start-up” funding.
- Policy clarification of the flexible use of CSA funding to facilitate the development of community based care and support best practices.
Summary of Reform Initiatives

- Strengthen Foster Care
- "For Keeps" Initiative
- Financial Incentives
- Legislative Initiatives
- Administrative Changes

CORE

Culture Change

Better Outcomes For Kids and Families
Improved Permanency Rates
Reduced Costs Per Child Served