

FAMILY FIRST PREVENTION SERVICES: CONDUCTING A FISCAL ANALYSIS

A Leading With Evidence webinar

July 22, 2020

Welcome and Overview



Suzanne Barnard
The Annie E. Casey Foundation

The Leading With Evidence Webinar Series



THE ANNIE E. CASEY FOUNDATION



William T. Grant
FOUNDATION

Overview

Today We Will Cover:

- Using the fiscal tool to estimate:
 - Costs
 - Revenues
 - Savings
- Lessons learned from the pilot
- Hawaii experience
- Questions

Today's Presenters



Margaret Flynn-Khan
Mainspring Consulting

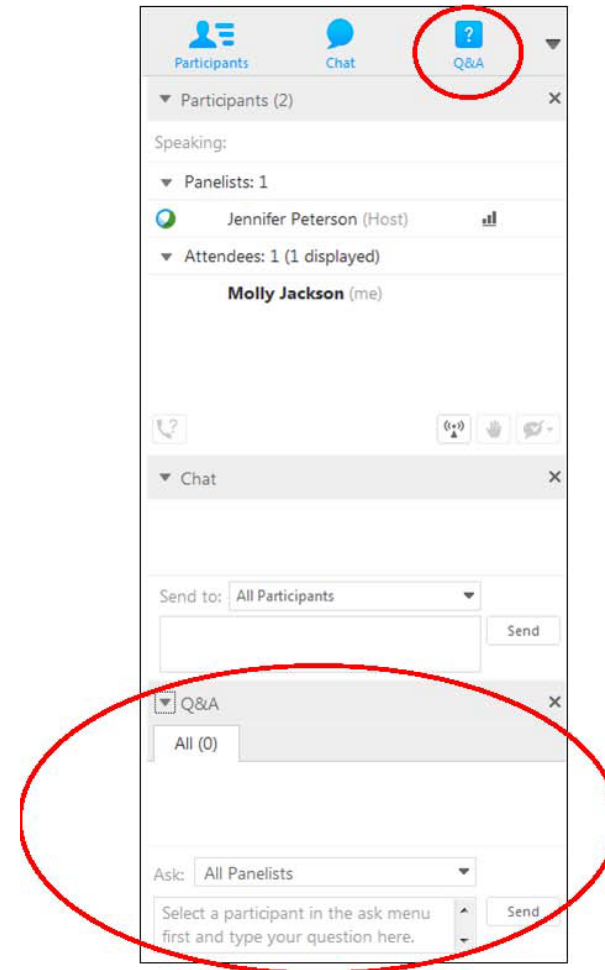


Rosaline Tupou
Hawaii Department of
Human Services

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- Type questions for the panel at any time during the webinar.
- Use the box to let us know if you are having technical difficulties.



Introducing the Family First Prevention Services Act Fiscal Analysis Guide and Tools



Margaret Flynn-Khan
Mainspring Consulting
margaret@mainspringconsulting.org

Authors

- Margaret Flynn-Khan
- Katherine Gaughen
- Lynn Tiede
- Erin Flynn-Blair

Overview

- Using the fiscal tool to estimate
 - Costs
 - Revenues
 - Savings
- Lessons learned from the pilot

For Background on the Law

Webinar To Examine Three Key Fiscal Elements for Using the Family First Act *(open)*

POSTED OCTOBER 3, 2019, BY THE ANNIE E. CASEY FOUNDATION

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[Three Key Fiscal Elements for Using the Family First Act](#)

An Opportunity for States to Use IV-E Funds for Prevention



WHO

Candidates for foster care
Their parents and kin caregivers
Pregnant and parenting youth in care



WHAT SERVICES

Mental health
Substance abuse prevention and treatment
Parent education, parent training and counseling

Trauma-Informed and Evidence-Based

The New Funding Landscape for Prevention Services

Service	Funding Post Family First
Case Management, Training and Administration	IV-E Prevention Administrative Claiming IV-E Prevention Training Claiming State and local funds
Programs that Meet Evidence Standards	Medicaid IV-E Prevention Services Claiming State and local funds <u>Partner Agency Funds</u> : Community Mental Health Services Block Grant, Substance Abuse Prevention and Treatment Block Grant, MIECHV
Services that Do Not Meet Requirements of Law	IV-B TANF SSBG CAPTA, CBCAP

New IV-E Prevention Claiming

- Administrative
- Training
- Services

No income eligibility requirements

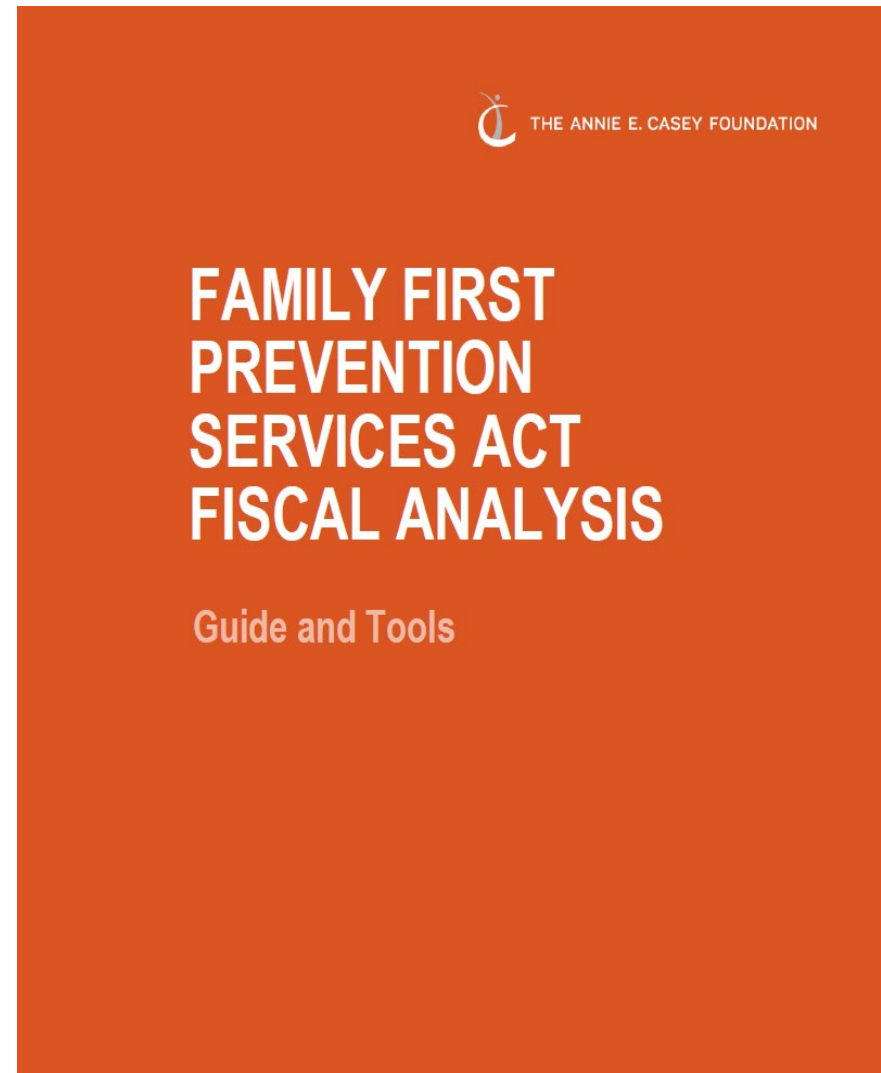
Family First Prevention Services Fiscal Analysis

- **Guide**

- Key fiscal provisions in the law
- Considerations for estimating costs, revenues, savings
- Instructions for spreadsheets

- **Excel Spreadsheets**

- Summary analysis
- Detailed program budgets
- Example spreadsheets



Pilot of the Tool: Hawaii and Nebraska



At start of Family First planning:

- Initial implementation decisions and cost estimate
- Model to use to estimate costs as plan refined



After draft IV-E Plan developed:

- Focus on estimating the costs of programs included in plan
- Highlighted considerations for implementation

Estimating Costs

Steps

- Project total candidates
- Estimate number of candidates served by programs
- Estimate per family/child costs for programs
- Estimate administrative costs
 - Case management
 - Evaluation, training, planning

In the Tool

Fiscal Analysis Workbook 1: Family First Fiscal Summary Analysis.. 14

Worksheet 1: Projected numbers served 14

Worksheet 2: Administrative and training budget 15

Worksheets 3.1–3.5: Program budgets 16

Worksheet 4.1: Total three-year costs 17

Fiscal Analysis Workbook 2: Detailed Program Budget Templates 19

Administrative Costs

- Uses the projected numbers served in programs to estimate prevention case management staffing
- Asks for estimates of staffing levels and other costs for other administrative functions

WORKSHEET 2: ADMINSTRATIVE AND TRAINING BUDGET										
Use the following chart to capture costs involved in state administration of Family First Prevention Services										
Planning Assumptions	Year 1	Year 2	Year 3							
Total families served	0	0	0	Pulled from worksheet 1 Enter avg # of weeks families receive EBP Enter caseworker-to-case ratio Enter case aide-to-case ratio Enter supervisor-to-caseworker ratio						
Average weeks served										
Total weeks of service	0	0	0							
Cases/Caseworker										
Cases/Case Aide										
Caseworkers/Supervisor										
	YEAR 1			YEAR 2			YEAR 3			
COSTS	FTEs	Annual Sal & FB	Staffing Costs	FTEs	Annual Sal & FB	Staffing Costs	FTEs	Annual Sal & FB	Staffing Costs	
ADMINISTRATION										
STAFF										
Case Management:										
Supervisor	0.00		-	-		-	0.00		-	
Caseworker	0.00		-	0.00		-	0.00		-	
Case aide	0.00		-	0.00		-	0.00		-	
Policy			-			-			-	
			-			-			-	
			-			-			-	
Administration and Planning			-			-			-	
			-			-			-	
Contract Monitoring			-			-			-	
			-			-			-	
Data & Evaluation			-			-			-	
			-			-			-	
Continuous Quality Improvement			-			-			-	
			-			-			-	
IV-E Claiming			-			-			-	
			-			-			-	
Total Staff Costs			-			-			-	
OTHER DIRECT COSTS										

1. Projected Numbers Served
2. Admin and Training
3.1 Program Budget 1
3.2 Program Budget 2

Program Costs

FISCAL ANALYSIS WORKBOOK 2: DETAILED PROGRAM BUDGET TEMPLATES

- If you already know cost per child or family, can plug into summary sheet
- Detailed budget template
 - Start-up costs
 - Implementation costs
- Calculates per child/family cost

Startup Costs	Year 1		
	Hours	Hrly Rate	Total Cost
Staff Training Time			
Staff training - direct	0		\$ -
Staff training - superviso	0		\$ -
			\$ -
Training Costs			
			Annual Cost
Initial training costs			
Trainer travel expense			
Other training (list below)			
Materials Cost Detail			
	Number	Cost Per	Total Cost
Staff manuals/curricula	0		\$ -
Participant materials/curricula	0		\$ -
Shipping & handling - enter percent in "cost per" column			\$ -
Other equipment/materials (list below)			
Other Costs			
			Annual Cost
Developer consultation			
Space configuration			
Initial license fee			
Initial data & evaluation fees			
Other costs (list below)			

Estimating Costs: Lessons Learned and Considerations

- When projecting families served by programs, consider:
 - age, risk factors, scale-up, uptake rates
- When estimating program costs:
 - build in start-up costs for expansion and turnover; and
 - include costs unique to child welfare context

Hawaii Example

Parent-Child Interaction Therapy:
Projected Caseloads

	2021	2022	2023	2024	2025
Total “Candidate” Children					
	5,561	5,680	5,799	5,921	6,044
Children Ages 2-7 (32.6%)					
	1,813	1,852	1,890	1,930	1,970
Families Who Have Inadequate Parenting Skills (79.3%)					
	1,438	1,468	1,499	1,531	1,562
Five Year Program Scale-Up					
	288	587	899	1,224	1,562
Uptake Rate (33%)					
	95	194	297	404	516

Projecting Revenue

Steps

- Administrative and training revenue
 - Estimate federal IV-E (50%) and state match required
- Program revenue
 - Estimate Medicaid payments
 - Apply Maintenance of Effort
 - Estimate federal IV-E (50%) and state match required

In the Tool

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Worksheet 4.2: Three-year budget with revenue..... 17

Worksheet 4.3: State spend by evidence 18

Worksheet 4.4: Maintenance of effort 18

Projecting Revenue: Lessons Learned and Considerations

- IV-E is “payer of last resort”
 - Even if a program covered by Medicaid, IV-E can pay for families not covered by Medicaid and case management for families in programs
- Maintenance of Effort (MOE) is calculated based on approved programs when state submits plan, so states that submit plan later will likely have higher MOE
- Requirements for spending on well-supported programs delayed but still important to consider

Hawaii Example

Parent-Child Interaction Therapy: Fiscal Impact

- Average cost per participant: \$2,024
- 95% of families Medicaid eligible

	2021	2022	2023	2024	2025
Total Program Expenses	\$191,633	\$391,453	\$600,622	\$817,657	\$1,043,398
Fed Medicaid Revenue	\$96,524	\$197,171	\$302,528	\$411,846	\$525,549
State Medicaid Costs	\$85,528	\$174,709	\$268,064	\$364,929	\$465,679
Federal IV-E Revenue	\$4,312	\$8,808	\$13,514	\$18,397	\$23,476
State IV-E Match Costs	\$5,270	\$10,765	\$16,517	\$22,486	\$28,693

Estimating Savings

Steps

- Use average cost of out-of-home placement to calculate the reduction in out-of-home placement days required to break even
- Include out-of-home placement and case management costs
- Focuses on state spending and savings

In the Tool

A	B	C	D
WORKSHEET 5: PROJECTED SAVINGS			
Description	Year 1	Year 2	Year 3
State Spending			
Total state IV-E match years 1–3	0	0	0
Placement Costs			
Average total per diem placement costs (state)			
Average per diem administrative costs (state)			
Total per diem costs (state)	\$ -	\$ -	\$ -
# of reduced days in care to break even			
Average length of stay			
Approximate number of children avoiding care to break even			

Tips for Using the Tool

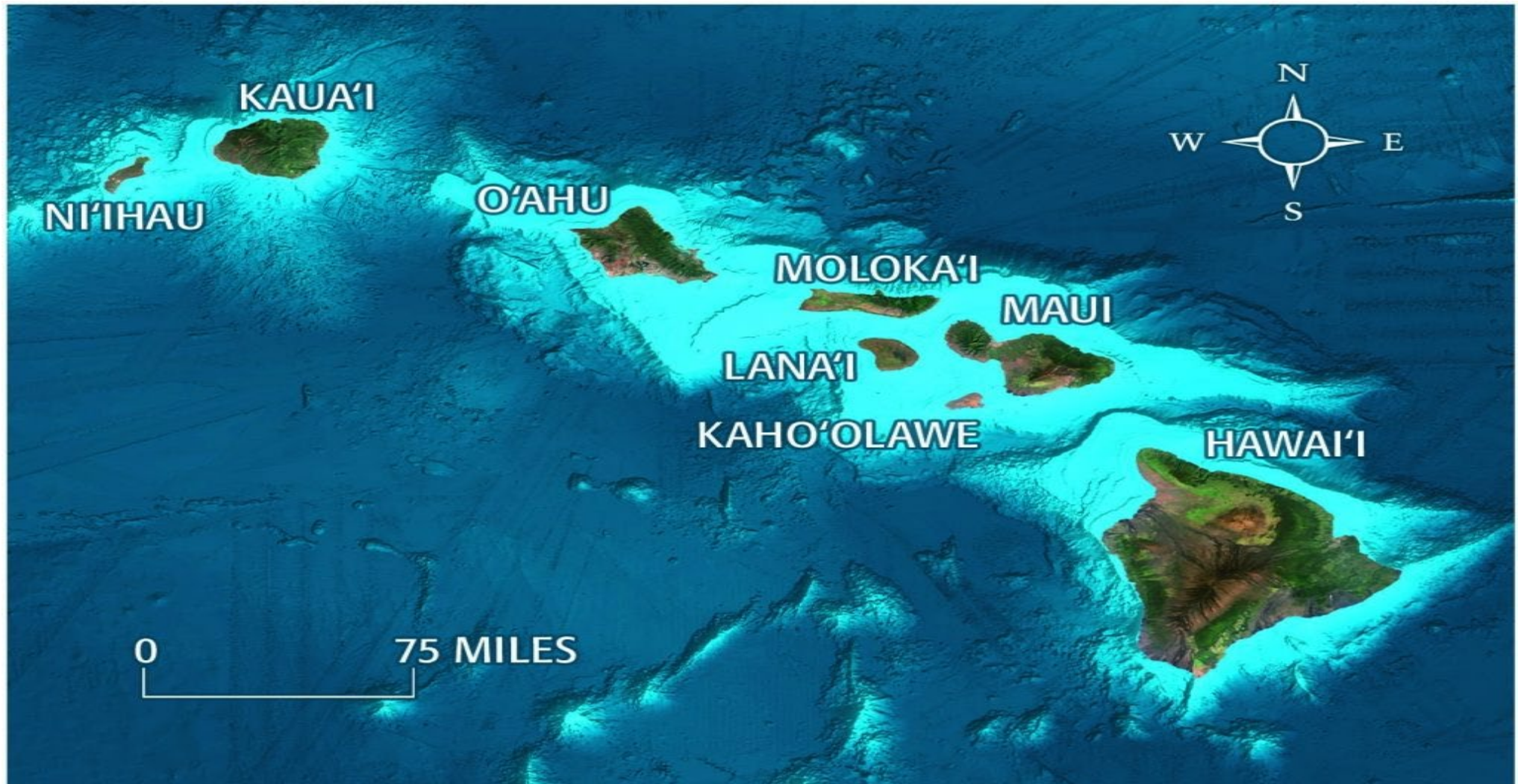
- Use the Instructions section at the end of the guide.
- Sheets have gray shading where you need to enter information.
- Sheets are protected, go to “Review” and unprotect if modifying.
- Formulas are built in to summarize revenue and calculate costs.
- If you do not need some lines, leave blank rather than delete to avoid errors in formulas.

The Hawaii Experience



Rosaline Tupou
Hawaii Department of Human Services

Hawaii Context: Geographic Location of Families We Serve



Hawaii Context: The Families We Serve

Intakes Assignment to Child Welfare Services (CWS) and Differential Response System (DRS)

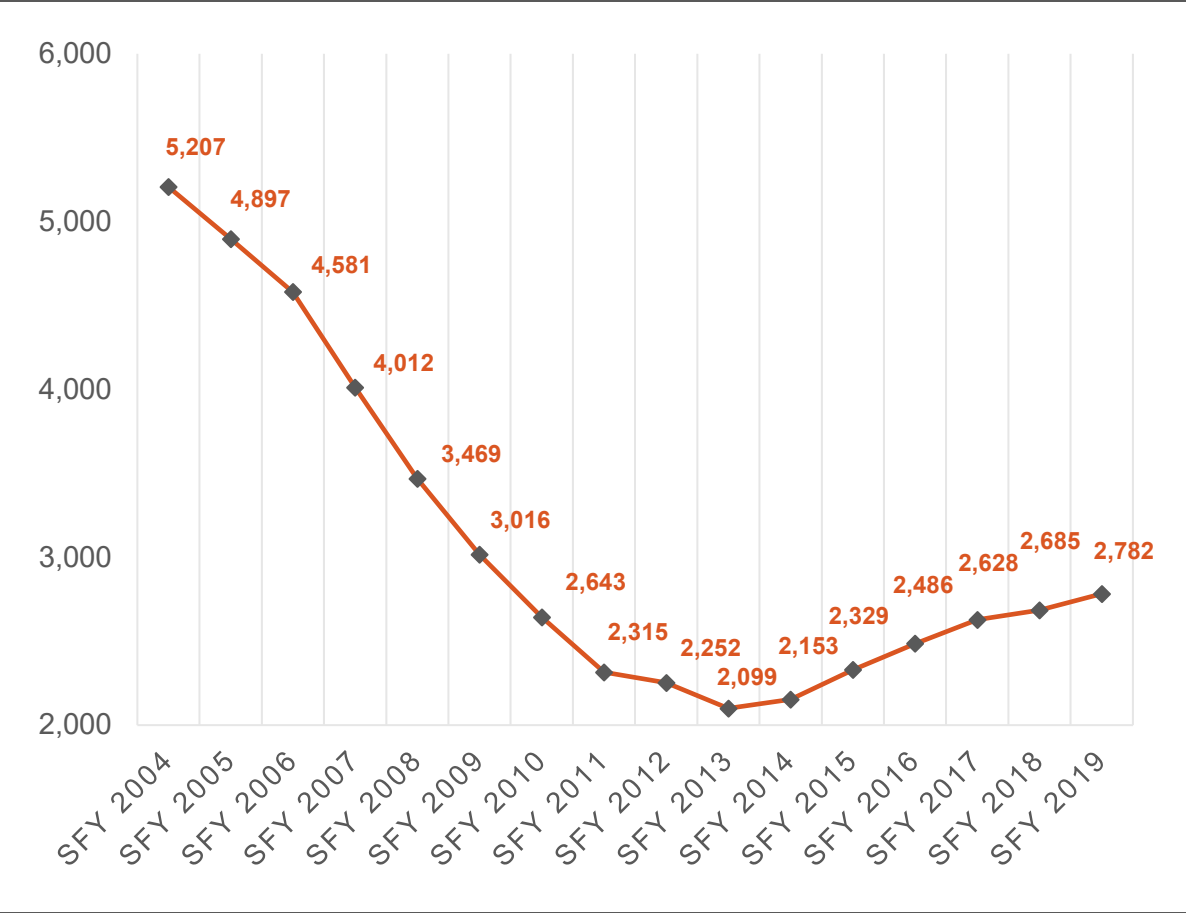
LEVEL OF INTERVENTION	SFY 2015	SFY 2016	SFY 2017	SFY 2018	SFY 2019
CWS	2,215	2,194	2,383	2,448	2,579
DRS-VCM	1,729	1,807	1,592	1,487	1,503
DRS-FSS	1,614	1,074	634	710	624
TOTAL	5,558	5,075	4,609	4,645	4,706

Reasons for Families' Involvement with CWS

FACTORS PRECIPITATING INCIDENTS FOR CONFIRMED VICTIMS SF2019	CHILDREN	PERCENT
Unacceptable Child Rearing Method	807	59.6%
Inability to Cope with Parenting Responsibility	772	57.0%
Drug Abuse	533	39.4%
Mental Health Problem	212	15.7%
Physical Abuse of Spouse/Fighting	203	15.0%

Hawaii Context: The Families We Serve

Total Number of Children in Foster Care, 2004 – 2019



Children in Foster Care for One Month or Less (Short Stayers)

	SFY 2015	SFY 2016	SFY 2017	SFY 2018	SFY 2019
Number of Children One Month or Less	341	365	294	329	354
Percent of All Children in Foster Care	15	15	11	12	13

Hawaii Context: The Families We Serve

Race of Children In Foster Care

RACE	CHILDREN	PERCENT
Alaskan Native	4	0.1
American Indian	24	0.8
Black	72	2.5
Cambodian	3	0.1
Chinese	33	1.2
Filipino	197	6.9
Hawaiian/Part Hawaiian	1,267	44.6
Hispanic/Spanish	92	3.2
Japanese	37	1.3
Korean	14	0.5
Laotian	6	0.2
Marshallese	25	0.9
Micronesia	86	3.0
Mixed	298	10.5
Other Pacific Islander	36	1.3
Samoaan	102	3.6
Tongan	5	0.2
Unable to Determine	50	1.8
Vietnamese	8	0.3
White	484	17.0
TOTAL	2,843	100

Age of Children in Foster Care SFY 2015-2019

AGE GROUP	2015	2016	2017	2018	2019
0-5	1,090	1,146	1,204	1,166	1,205
6-11	648	741	776	823	814
12-18	648	709	707	770	824

Discharge Reasons SFY 2015-2019

DISCHARGE REASON	2015	2016	2017	2018	2019
Adoption	156	160	201	188	189
Emancipation	71	66	67	75	84
Guardianship	99	100	145	163	171
Reunification	677	676	714	677	786

Hawaii Context: Existing Prevention Services

- Differential Response System (DRS) 2006
 - Family Strengthening Services (FSS): low-risk cases
 - Voluntary Case Management (VCM): moderate risks; no safety issues
- Title IV-E Waiver 2015 – 2019
 - Intensive Home-Based Services – Home Builders**
 - Crisis Response Team **
 - Safety Permanency Well-being
 - Family Wrap **

Goals of Fiscal Analysis Pilot for Hawaii

- Help DHS planning group to get concrete about options for prevention plan to inform:
 - additional information gathering
 - coordination with other public agencies
 - planning with external stakeholders
- Provide preliminary big picture look at fiscal impact and fiscal considerations and opportunities
- Leave Hawaii leaders with fiscal tool that can be used to calculate fiscal impact as planning moves forward



Overview of Planning with Mainspring

Meeting 1: October

- Discussed definition of “candidate”
- Reviewed current services in Hawaii



Meeting 2: December

- Reviewed initial projections of candidates
- Reviewed evidence-based models
- Discussed connection to other planning



Meeting 3: February

- Reviewed initial fiscal analysis
- Convened community stakeholders
- Developed workplan for developing IV-E prevention plan

What Came Out of Planning

Key Takeaways

- Engagement of community members
- Facilitation of Family First meetings
- Review of existing prevention practice and the law; agreement on definition of "candidate" for foster care for IV-E prevention services

Hawaii Final Definition

CASE TYPE	RISK/ SAFETY LEVEL	CASE MANAGER
DRS – VCM	Moderate risk, no safety factors indicated	Contracted provider
Voluntary Family Supervision (In-home) cases	Safety factors indicated	CWS – no court involvement
Family Supervision (In-home cases)	Safety factors indicated	CWS, Court-ordered
Crisis Response Team (In-home cases)	Safety factors indicated	CWS
Sibling in Foster care	Safety factors indicated	CWS
Possible disrupted Adoption/LG	Depend on risk assessment	CWS or VCM
Expectant/parenting youth (EPY) and Imua Kakou	In custody of state	CWS

What Came Out of Planning

Key Takeaways

- Review of models Hawaii already implementing that meet standards
- Initial review of models to fill gaps in current services
- Identification of additional information needed and questions to be answered

Models Included in Fiscal Analysis

- Homebuilders
- Healthy Families America
- Multi-Systemic Therapy (MST)
- Parent Child Interaction Therapy (PCIT)
- Families Facing the Future

What Came Out of Planning

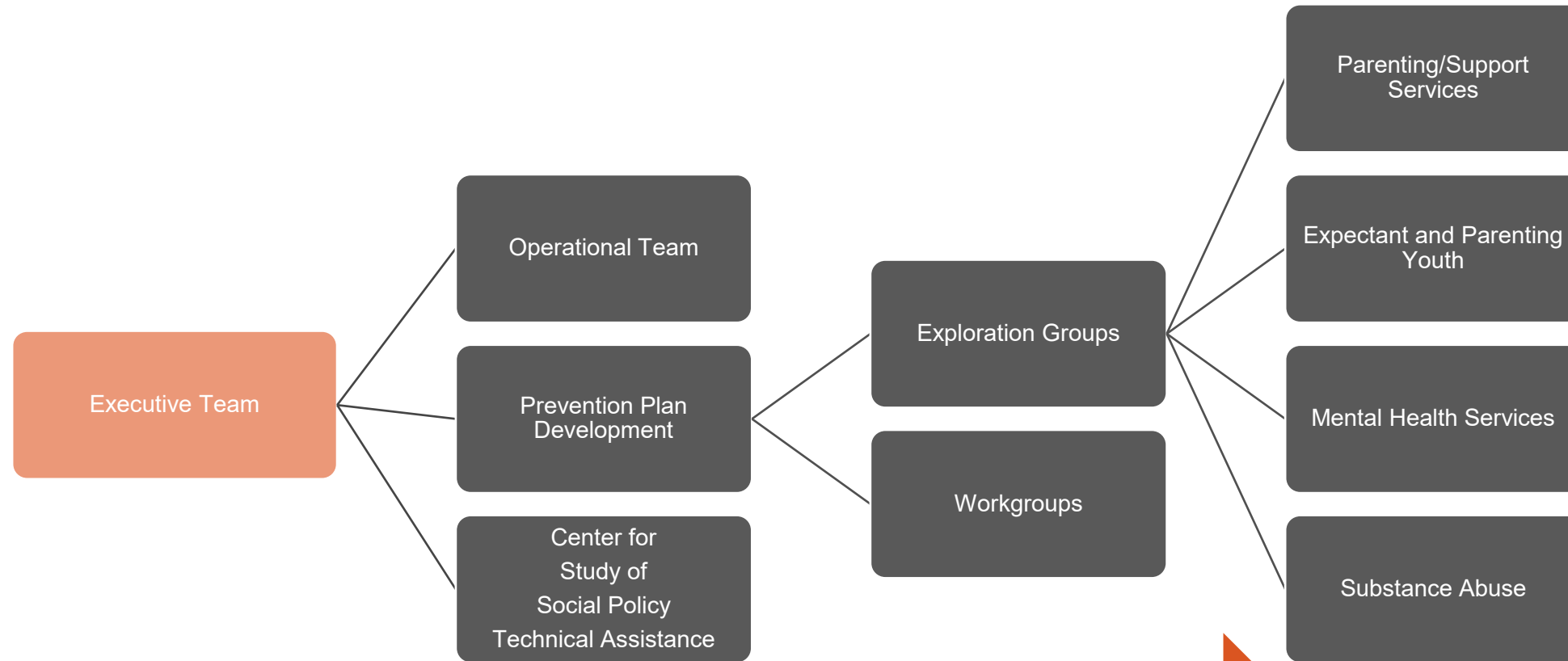
Key Takeaways

- Five-year estimate of costs to implement models with candidates
 - 2021 – 233 Families Served
- Estimate of the IV-E funds that Hawaii's existing spending on case management can draw down
- A fiscal model that can be used to estimate costs as final plan is developed

Cost Estimates

DESCRIPTION	2021
Case Management, Administration and Evaluation	\$1,547,929
Training	\$86,250
Total Program Costs	\$1,146,210
Total Costs	\$2,780,389
Federal Medicaid	\$158,990
State Medicaid	\$140,878
Federal IV-E	\$1,116,235
State IV-E	\$1,364,287
Existing State Spending on FSS and VCM	\$898,799
Estimated New State Spending for IV-E Match	\$465,488

Hawaii Ongoing Planning: Family First Organizational Structure with Workgroups

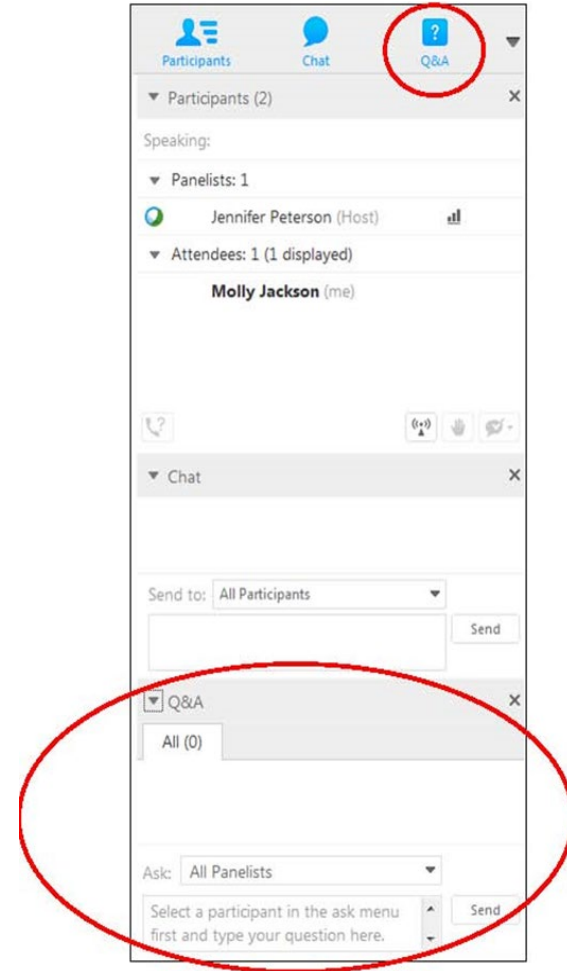


**Timeline: Submit prevention plan by October 2020
Implement services by October 2021**

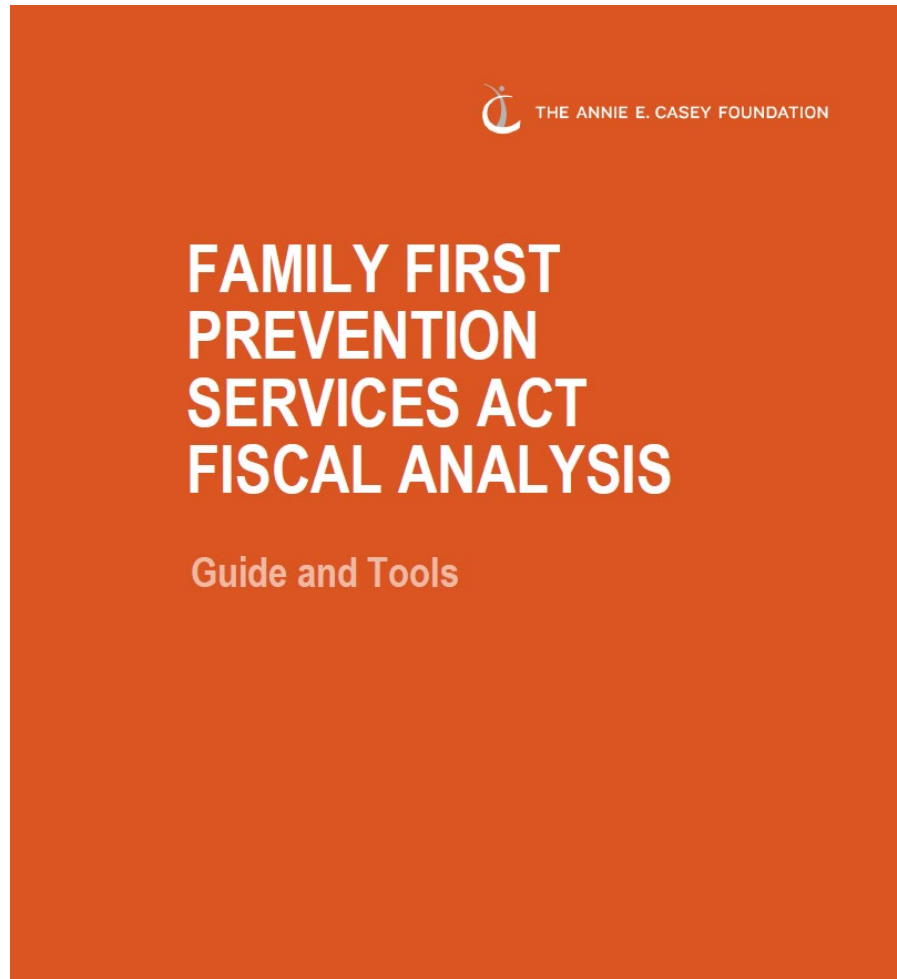
Questions?

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A recording of this webinar will be posted at www.aecf.org/webinar.



Download the Fiscal Guide and Tools



<https://www.aecf.org/resources/family-first-prevention-services-act-fiscal-analysis/>



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