State of Rhode Island
Office of the Child Advocate

SENATE TASK FORCE ON THE DEPARTMENT OF CHILDREN, YOUTH AND FAMILIES
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TESTIMONY OF THE CHILD ADVOCATE
REGINA M. COSTA, ESQ.

Good afternoon, Chairman DiPalma, Chairwoman Cool Rumsey, and all Senate Task Force members. Thank you for giving me the opportunity to provide testimony to you today.

NETWORKS AND THE SYSTEM OF CARE

I wish to present my conclusion first and then the information to support it. Most significantly, I wish to inform you that in my opinion we can ***no longer AFFORD*** the current system of care design rolled out a little more than two (2) years ago. The Networks are presently into the third year of a three (3) year contract with the Department of Children, Youth and Families (DCYF or the Department). In 2012, two entities were awarded contracts in exchange for their agreement to provide a network of services to meet the diverse needs of the children and families active with DCYF. Family Services (or Ocean State Network or OSN) and Newport Child & Family Services (or Rhode Island Care Management Network or RICMN) were awarded contracts from DCYF totaling more than $210 million to be disbursed over three (3) years. In exchange, they agreed to deliver an array of services that would meet the needs of ALL DCYF children, those who remain in the home and those requiring out of home placement.

In entering into these contracts, DCYF understood that they were buying additional and better services, from prevention, early intervention, to better management of high end and out of state placements. The Networks were intended to allow the Department to shift financial risk in exchange for a better delivery of services, both residential and community-based. Instead, the Networks have failed to deliver on their promises. They have been allowed to side step the financial risk, by seeking increased budget requests. More recently, with the reinstatement of the Networks' contracts, the Department now pays the Networks' excessive costs *without any contractual obligations*. The Networks have simply failed to deliver on their agreement and this failure has been rewarded by *removing all financial risk* from the Networks. Rather, the financial risk has been shifted to the taxpayers of Rhode Island. The results are worse outcomes for children and

families, with an increase in deficit spending by DCYF to cover the excessive costs. This new payment structure further enables the Networks, by failing to hold them accountable.

In evaluating the Networks, we should be asking, **"Are DCYF children and families better off today than they were two years ago?"**

I think the clear answer to this question has to be "NO." First, there are fewer prevention and early intervention programs to assist families at the front end of the system. Also, the much promised community based care system, where children and families would receive services in their own homes and communities has failed to be realized. In addition, the proposed better management of high end and out of state placements has not improved, it has deteriorated. This point is easily illustrated by noting the number of children currently in out of state placement. We now have more than eighty (80) youngsters in placement out of state, as compared to forty-five (45) when management was turned over to the Networks.

Interestingly, for the first time in my thirty (30) years involved with DCYF, we now have approximately fourteen (14) youngsters in one Massachusetts program, costing the State of Rhode Island nearly $2.4 million dollars per year. Historically, one of the benchmarks utilized to determine the need to purchase services from out of state vendors was cost efficiency. In other words, "If we had this service in state would we be able to utilize it to its fullest extent, or are there just one or two children in the State of RI who would benefit for the purchase of this service out of state." It is exactly this kind of situation that the Lead Agencies were supposed to be in a better positon to ameliorate. Yet the opposite has occurred.

Indeed, the Networks' contracted to reduce the number of children in out of home care over the life of their three year contract. Yet, each year since 2012, the Networks have come back to the State of Rhode Island through the General Assembly and the Governor's Office seeking supplemental funding to cover their deficits. Equally as important, we learned from the presentation provided by the Governor's Advisory Group that the Networks would run out of money by April, but instead financial responsibility was returned to the Department.

The number of children and families active with DCYF has not declined as promised; in fact the number of children placed out of state has nearly doubled and the family service staff has nearly two hundred (200) additional families on their caseloads. During this same period, some providers in the previous DCYF service array have been eliminated and ALL providers have absorbed a number of cuts in reimbursement rates and holdbacks. Children and families have fewer treatment options and children with significant mental health diagnoses or severe behavioral issues admittedly pose a significant problem to the Networks since it has proven difficult for the Networks to maintain them in the State. One cannot help but ask, *"If appropriate services were provided in the early stages, would we be seeing so many children with acute mental health needs?"*

A number of placement resources were also eliminated over the past few years. Some of the placements eliminated included highly structured residential programs addressing the mental health issues. Programs that were closed included a program at Butler Hospital, a program for young women, called Athena Circle, Community Solutions and equally as important were the loss of the Casey Family Services, specialized foster care program and the PRN (Psychiatric Response Network) Program. Even community based service programs were not spared. Additionally, as you are aware, the Family Care Community Partnerships were cut by three-quarters of a million dollars, along with other community based programs, particularly on the East Bay. Services, including, outreach and tracking, preserving family networks, or multi-systemic therapy (MST), have been severely limited.

In Rhode Island, we have two residential programs that immediately come to mind, that previously were equipped to treat serious mental health issues of children in this state. The two programs are St. Mary's and Harmony Hill. They had enjoyed good reputations for the excellent care provided. They have lengthy histories of support for children with significant mental health issues. Each has been plagued with significant financial challenges, by cuts in reimbursements that have required them to make reductions in personnel costs, as well as, in programming costs. It is an ongoing challenge for them to administer the services they were once able to provide to DCYF children. It is difficult for me to understand why the Networks and DCYF would not seek to rebuild residential programming at these facilities in an effort to maintain children in state who have since been moved out of state.

Over the course of these hearings, the question of the need for additional funding has been raised on a number of occasions. I agree with the concerns of many who have testified before me. In fact, I have shared these concerns through testimony in the legislature over the past several years. I have consistently expressed concerns that the Department could not sustain the level of cuts imposed upon them and continue to provide appropriate levels of care for children and families. As the Task Force is aware, the Department's budget has been cut by approximately $35 million dollars since 2009 without a commensurate reduction in the number of children and families it is servicing. ***However, the issue of the reduction in the budget to DCYF and the Network Leads contracts to provide services for a specified amount agreed upon are two separate matters.***

The magic question asked by many of the task force members is how much money is enough money? I am not sure that anyone really has the answer to that question right now. I certainly do not. However, it is a great question and one that deserves attention. It returns me to the beginning of my testimony. If we are concerned about the dollar amount needed, then the most important thing that we can do is to cut the excess expenditures.

I think the ***easy*** solution is to continue to support the system that exists today and hope something can be done to turn it around. However, this past spring both DCYF and the Networks gave almost simultaneous notice of their wish to cancel their contracts. From

this, one can only conclude that the current Network system was not working for the Department, the Networks, or the children under their care.

Over the past two (2) years despite the Network's best efforts (and the additional resources made available through supplemental budgets) things have not turned around. Apart from the failure to meet the needs of children and families, the administrative costs associated with running three mini DCYF's is unjustifiable given the poor outcomes to date for children. THESE ADMINISTRATIVE COSTS ARE CUTTING INTO THE LIMITED FUNDS AVAILABLE TO CARE FOR OUR CHILDREN. The current Network system is neither affordable, NOR, in the BEST INTEREST OF OUR CHILDREN.

Children and families have too many treatment needs for the State to justify the allocation of additional dollars for repetitive administrative costs. DCYF already has a seasoned and capable IT Division, Quality Assurance Staff, Children's Behavioral Health Staff Members, Foster Care Recruitment Staff complimented now by DCYF receiving the Federal Diligent Recruitment Grant, Program & Licensing Staff, Placement Staff and Social Caseworkers, as well as many others. Rhode Island children and families deserve more, are entitled to more and should be provided more by the Agency statutorily responsible, the Department of Children, Youth and Families.

OFFICE OF THE CHILD ADVOCATE'S STATUTORY OBLIGATION

At the time of the creation of the Department of Children, Youth and Families, this State's General Assembly had the wisdom to recognize that it was important to create the Office of the Child Advocate (OCA). The legislature had the acumen to know that no matter how altruistic DCYF might be in its desire to provide necessary and appropriate services to children, there would always be competing budgetary challenges. The OCA is charged with the responsibility to take ***"all possible action including but not limited to, programs of public education, legislative advocacy and formal legal action to secure and ensure the legal, civil and special rights of children"*** under the care of DCYF.

As the Child Advocate, it is my statutory obligation to be the voice of children in the care of DCYF, to be the guardian of their rights, and to be an advocate for what is in the best interest of children in DCYF care. With the economic challenges facing the State and all Rhode Islanders, I can no longer support the need for three different administrative structures to manage the array of services required by DCYF children and families.

A FRACTURED CHILD WELFARE SYSTEM

For the past two (2) years Rhode Island's child welfare providers (programs that are subcontractors or affiliates of the Network Leads) have been struggling to recover from the financial cuts, holdbacks and program changes imposed by the Networks. In most instances, they have been unable to continue to provide consistent levels of clinical support to the children in their programs, whether their services are community based or residential. Many providers struggle to obtain simple things that provide for the well-

being of DCYF children. In some instances programs have had difficulty maintaining the properties where our children reside. They are unable to provide youth in group care with regular clothing vouchers, youth transitioning into adulthood with assistance in obtaining furnishings for an apartment, or transportation to and from schools, visits, or medical appointments. Most programs have only a small budget set aside for recreational activities, which provide the youth with a sense of well-being in their lives.

As the Lead Agencies assumed responsibility for the provision of services they imposed "financial incentives" upon providers, further taxing an already financially stressed provider network. They imposed reductions in the payment provided to a program the longer the youth remained in care. The incentive was clearly to motivate the providers to move children quickly, to avoid lingering in care any longer than needed. However, often these youth could not move as there was no appropriate place for them to go.

In the past some have been encouraged to jump to the conclusion that the Rhode Island Family Court may be the culprit with respect to the increase in the number of children in out of state placements. Yet, how can we avoid looking to the practices of the Networks, with respect to, closing down programs, reductions to the reimbursement rates and allowing children to linger, for a more accurate reflection of the decline in children's mental health? The Networks' own testimony indicates that the data they have does not demonstrate that discharge from congregate care results in good permanency outcomes or placement in lower levels of care? Might Family Court decisions really be a reflection of the fact that there are limited resources for the care and treatment of children and families available in state?

The CANS assessment is the tool that has been identified by the Networks to identify the service needs of children and families. Assessment of children, youth and families, has been and continues to be essential to make informed decisions regarding the safety, permanency and well-being of children. However, admittedly it has been completed in only twenty-five percent (25%) of the cases by the Networks and utilized to inform decisions on even fewer occasions.

In the past, DCYF used detailed clinical assessments to determine the needs of a child and / or family. These assessments often included psychological testing, the review of educational records and completion of a family history, often identifying additional medical testing or examinations based upon the findings. Often these assessments identified previous services that had been utilized by the family and made recommendations for treatment services consistent with the testing and review. These reports were presented to the family court with recommendations and referrals appropriate to address the needs highlighted in the evaluation. There were options for both in-patient and out-patient assessments, depending on the needs of the youth and the family. They were readily sought out by judges who utilized them to inform their decisions with respect to service needs of children and families.

An Illustration of a Network Based Decisions Leading to Poor Outcomes for Discharge from Congregate Care Placements:

In the Network, the Network Care Coordinators (NCC's) are the "case managers," intended to utilize the CANS to inform their decisions with regards to referrals in the best interest of a child or family. This component of the Network system has been deluged with its share of confusion and frustration. It is questionable in some instances, particularly since we utilize the CANS in so few cases, how the most appropriate referral is determined, other than to identify a program where there may be an opening. In some instances, the option provided may not even address the clinical needs of the child or family, or be the best fit for a youth.

Recently, I was asked to attend a meeting with respect to placement issues regarding a young woman who was placed in an ART's Program (a hospital step down level of care). She had already been in the program for two (2) months longer than necessary, awaiting the identification of an appropriate placement. Her mother had been deported on drug charges and her father was in prison serving time. She had a young adult sister in the State of RI, who was already caring for two younger siblings. She had a previously failed placement with her sister. A representative of the medical insurer was also present at the meeting to provide notice that they would not continue to absorb the cost of this young woman's placement at the ART's Program. They had been absorbing the ongoing costs for the placement of this child and they were present to provide notice of impending termination of the funding.

Despite the clinical recommendation from the ART's Program and Bradley Hospital, that the youth required placement in a "staff secure residential program", the young woman was referred to an "independent living program." The youth was not referred to a staff secure program because there were no openings available. Instead, she was referred to an independent living program because there was an opening in this level of care. This placement referral was not only inconsistent with the clinical recommendations, but it sabotaged her willingness to be open to any other appropriate placement referrals made on her behalf. It is this mismatch in placements made by the Networks that ultimately results in poor discharge outcomes from congregate care.

FEEDBACK FROM PROVIDERS DURING THE PERIOD OF TIME WHEN CONTRACTS WERE SUSPENDED BETWEEN DCYF AND NETWORKS.

I received the following feedback from providers during that small window of time when DCYF resumed procurement of services pending re-negotiation of its contract with the Network Agencies. In that period of several weeks, the Department implemented a protocol, which included weekly meetings to assess the needs of a child and identify the pool of resources available to meet the child's need. The DCYF staff involved in the weekly meetings often included the social caseworker and / or Social Casework Supervisor, a member form the DCYF Placement Unit or Children's Behavioral Health Unit, Regional Directors and / or Chief Casework Supervisors and others as appropriate.

Following the meeting all information needed to complete a referral packet was gathered and referrals were sent or delivered to the identified programs on behalf of each individual youth.

The providers indicated that they were pleased the referral process was returned to the staff at DCYF and reported the referral process was again working well. They reported receiving more timely referrals and complete referral packets, in addition to receiving referrals that were appropriate for their programs. Also, providers reported they were given the vital opportunity to meet with children and families referred to their programs. I don't believe there is any dispute about the significance of "voice and choice" in motivating children and families. They reported that they were able to reach DCYF staff and to move the referral and placement process along more quickly.

MOBILIZING THE STATE'S RESOURCES: IS PRIVITIZATION OF CHILD WELFARE MOST BENEFICIAL TO CHILDREN AND FAMILIES?

Despite the contracts between the Department and the Lead Agencies, DCYF is ultimately responsible for the children under the care of the State. Rhode Island General Law (RIGL) § 42-72-5 states the following; "The department (DCYF) is the principal agency of the state to mobilize the human, physical and financial resources available to plan, develop, and evaluate a comprehensive and integrated statewide program of services designed to ensure the opportunity for children to reach their full potential. The services include prevention, early intervention, out-reach, placement, care and treatment, and after-care programs..."

DCYF has 650 employees, with various levels of expertise across a spectrum of disciplines, despite its current vacancy rate. The Lead Agencies provide additional layers of personnel, an exact number of which I am not aware. If we just look to the top tiers of these three entities, DCYF, OSN & RICMN, we know that the current child welfare system is supporting two (2) Chief Executive Officers and one (1) Departmental Director, three (3) Chief Financial Officers, as well as two (2) Chief Operating Officers and many, many Senior Management Team Members at DCYF.

The Lead Agencies, with extremely seasoned executives, entered into contracts after months of negotiations. The contracts state that the Lead Agency will promptly provide for all children /families "…all services as described in the Agreement and Addendum I." The services include, but are not limited to, payment for emergency services and referrals, in and out of network, except when paid through other funding resources; promptly provide or pay for needed contract services for emergency mental health conditions and post-stabilization services, regardless of whether the provider that furnishes services is a partner agency; provide all emergency contract services and post stabilization services as needed 24 hours each day, seven days a week either through the contractor's own agencies or arrangements with partner agencies.

All parties understood their obligations under the contracts. The contracts were clear in identifying the Lead Agencies responsibilities. Consideration for the agreements amounted to more than $210 million over a three year period. However, in addition to the funding originally provided, both Lead Agencies were awarded supplemental budgets to eliminate deficits, and ultimately all financial constraints were eliminated. The introduction of the Lead Agency and the network design was intended to improve the delivery of service to children. Yet for the past two years services to children have declined. The Networks have failed achieve many of the deliverables anticipated for children and families.

Despite the supplemental budgets approved on behalf of the Lead Agencies to cover their deficits, the number of children in placements and with significant mental illness has remained the same or has increased. At least one explanation for this trend is that while the supplemental budget awards have eliminated the Lead Agencies' deficits, they have really not captured the enormity of the deficits that many of the provider programs continue to endure. As such, it is the actual services for children and families where the greatest losses have been felt.

Similarly, we are experiencing a crisis in the foster care system, with extremely limited resources available for the placement of youth. As a result, we are seeing very young children placed in shelter's or group care settings for extended periods of time due to the lack of resources. All children need families, but young children in group care or shelters is a particularly time sensitive issue.

Particularly alarming is that under the management of the Networks, night to night placements has returned. At least three young children have spent time at the DCYF office awaiting placements. Two (2) children, who were siblings, ages four (4) and six (6) years old were kept overnight at the DCYF office from just before midnight, when the Department obtained custody of them, until approximately 7:00 AM the following morning. After spending the night on mattresses on the floor at DCYF, ***two separate*** foster placements were secured for them by the Network. This sister and brother had never been under the care of the Department before. It is intolerable to me that this is what the children have available to them when they come into State care, certainly exacerbating an already traumatizing scenario.

Subsequent to this information coming to my attention, the OCA filed a complaint in Family Court. The matter remains pending.

The matter of resources, particularly in the area of foster care and specialized foster care continues to be a growing issue that requires immediate attention. Similar to others who have testified, I agree the reimbursement rates for foster families are a disincentive to fostering children. The range of reimbursement from $13.64 a day to $15.79 a day (age dependent) is truly unacceptable, if we expect our foster parents to provide a supportive and nurturing environment for our children.

SHORT TERM, MID-TERM AND LONG TERM GOALS

In presenting my goals, I would ask the task force to recognize and understand that the OCA, not unlike others who have testified before you, has limited resources and access to the information available to the Department or Lead Agencies. For instance, the OCA has only six (6) full time staff members. Despite the lack of resources and information available to the advocates who have provided testimony, you have indeed been provided some great recommendations regarding relevant areas of need, goals and changes to consider.

As requested, I will set out for you, my proposed short term, mid-term and long term goals:

Short Term

1) ***The State should properly terminate the contracts with the two (2) Network Lead Agencies in as timely a manner as the contracts allow.***

2) The Department needs to take ALL responsibility for the care and treatment of the children, NOT just the financial component. The State needs to commit or reallocate the resources necessary to provide children and families what they need. In its present state the relationship between the Department and the Network, simply makes the agency a conduit for payment. It enables the networks, by failing to hold them accountable.

3) Additionally, without recognition of the shortfalls and deficits that all network subcontract agencies are experiencing, due to cuts, hold backs and re-apportionment of reimbursement rates, the system will not be able to restore the services that have been lost. We need to rejuvenate the system with the support required to provide good "clinical treatment" services, otherwise, it will be an ongoing challenge to obtain the improvements in children's mental health that we need for successful return to the community. Support for appropriate clinical treatment and programming services should be returned to provider agencies. Additionally, providers should have the resources needed to address the well-being of children in their care, including clothing vouchers, recreation budgets, and the ability to furnish homes appropriately on both an individual and group level.

4) The Department should be approved to hire the staff needed to resolve its twenty-five percent (25%) vacancy rate. The Department's ability to maintain staff speaks to the demands of the position, and the inability to fill vacancies will only increase the stress on the staff. High caseloads for the workers and supervisors create excessive and oftentimes unattainable demands on the staff. The need to resolve the vacancy rate at the Department was first identified in the *Casey Report*, which was an assessment of the DCYF system on the issue of *Rightsizing Congregate Care*.

5) The Department would benefit from the hiring of additional Child Protective Investigators and Intake Social Caseworkers. My office has expressed to the Department our concerns, particularly regarding the failure to check on young children who are under the age of six, when the complaints received raise issues concerning parental mental health and / or substance abuse.

6) If the plan is to continue the provision of services to children and families through Network contracts, than a commitment needs to be made to provide the support necessary to demonstrate good outcomes for families. ***Additionally, if the decision is made to continue to support the Lead Agency networks, I would recommend the need for an independent financial audit that includes a review of the financial efficiency of the Network system.*** To the best of my knowledge to date, we have relied solely upon the agencies themselves to provide an accounting for their expenses without an independent audit that reviews the efficacy of the network system as a whole.

Mid-term Goals

1) Clarify the vision and plan for DCYF children going forward. Ensure that the Department has the funding required to support and sustain the continuum of services required to maintain children in the least restrictive settings possible. The Task Force has been informed of the budget cuts sustained by DCYF amounting to nearly $35 million since 2009, yet these budget cuts have come without the commensurate reduction in the cases open to the Department. We cannot expect even the Department to make in-roads toward improving service delivery to children without restoring some of financial cuts they have endured over the years. However, I agree with the Governor's team that some savings may in fact be realized by restructuring and reallocation and we need to start with the elimination of redundant staffing patterns.

2) Provide timely, appropriate and informative assessment of children and families to identify the necessary services to achieve a permanent plan on behalf of a child as quickly as possible. Assessments should include a review of all pertinent information to inform and create an appropriate plan to address the needs of the child, including, but not limited to, placement needs, educational needs, family concerns, medical, psychological and psychiatric needs.

3) The Department needs to shore up both ends of the continuum. Invest in prevention and diversion, and recognize the significance of transitions out of DCYF care, at age 18 and / or 21 years old. Identify and utilize an appropriate array of evidence-based programming that supports prevention and diversion, and meet the needs of youth transitioning into adulthood and / or adult service systems. Consider returning to DCYF and the Family Court jurisdiction over young folks until the age of twenty-one (21).

4) Require all evidence-based programs should be required to deliver and report on outcomes. Programs should be required to submit performance outcomes as a component of the service provided and / or funded.

5) Identify, secure, support and expand the foster care system in Rhode Island. Families need appropriate financial support for the children they take in and incentive programs for taking in sibling groups or children with special needs. Recruitment efforts should include a range from generic foster homes to specialized foster placements.

6) Identify appropriate methods for utilization review with respect to individual children and programs. Lead Agencies should not be in the position to review their own programs and similarly be reviewing the programs of their competitors. There is an inherent conflict in that process.

7) Reduce the number of children in placement out of state. Prior to the onset of the networks, DCYF had done a great job reducing the number of youth placed out of state.

Long Term Goals

1) "Rightsize Congregate Care" consistent with the recommendations in the report on the assessment completed by the Casey Foundation. Invite *Casey* back to the state for technical assistance to help us set goals and achieve them consistent with their recommendations.

2) Encourage providers to create service continuums within their own service array, affording a youth an opportunity to step down into lower levels of care without the need to change providers. Ideally, this could provide consistency of a clinical service team that is familiar to a child while they step down to lesser restrictive placements and return to a more permanent living arrangements.

3) If DCYF believes that there is a better and more efficient way to deliver services other than directly by them, they should take the necessary time to explore models that are working efficiently elsewhere. In entering into these contracts, DCYF made a good faith attempt to build a system of care with an emphasis on the prevention, early intervention, and community based care. These services were to be funded through savings achieved by diverting children from high end and out of state residential treatment programs. DCYF should not be deterred from looking for models with a proven tract record of doing what they hoped would be achieved through these contracts, if they believe there is a more efficient way to deliver services.

I hope this information is helpful to the Task Force. Thank you again for the opportunity to testify before you today.