

Department of Children, Youth and Families

Staff Presentation to the House Finance Committee
FY 2019 – FY 2023 Capital Budget
April 10, 2018

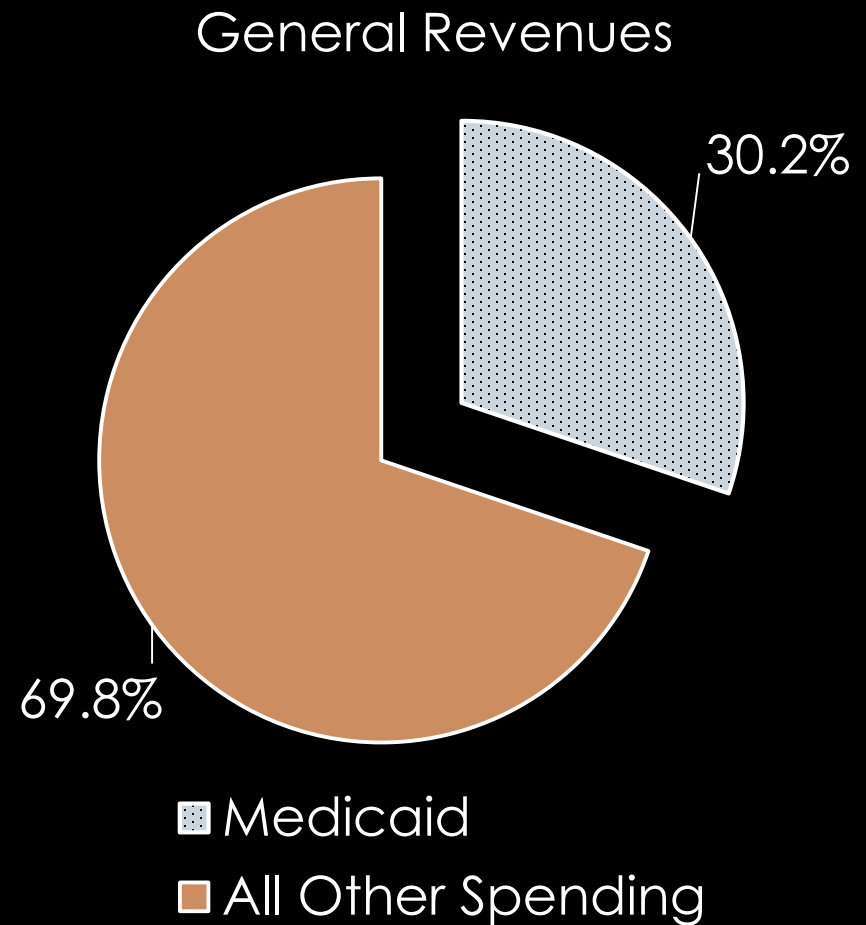
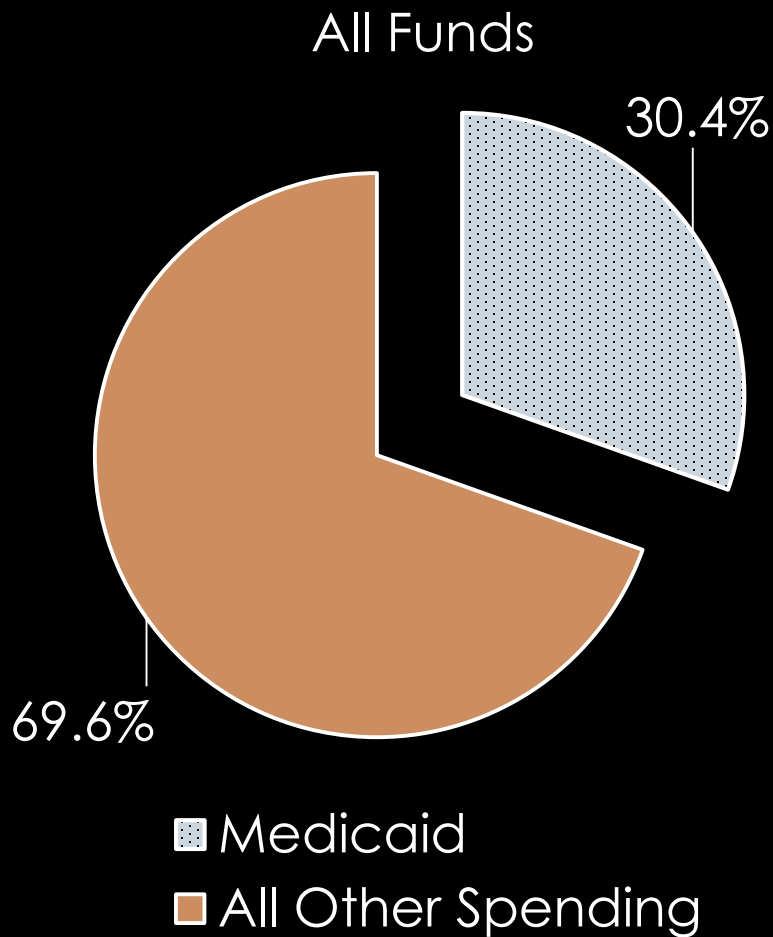
Executive Office of Health and Human Services

- DCYF is 1 of 4 health and human service agencies under the umbrella of EOHHS
 - Along with BHDDH/DHS/DOH
- Governor appoints the directors of the 4 agencies under the EOHHS umbrella
- EOHHS is responsible for managing and providing strategic leadership and direction to the 4 departments
 - Centralized financial management & legal

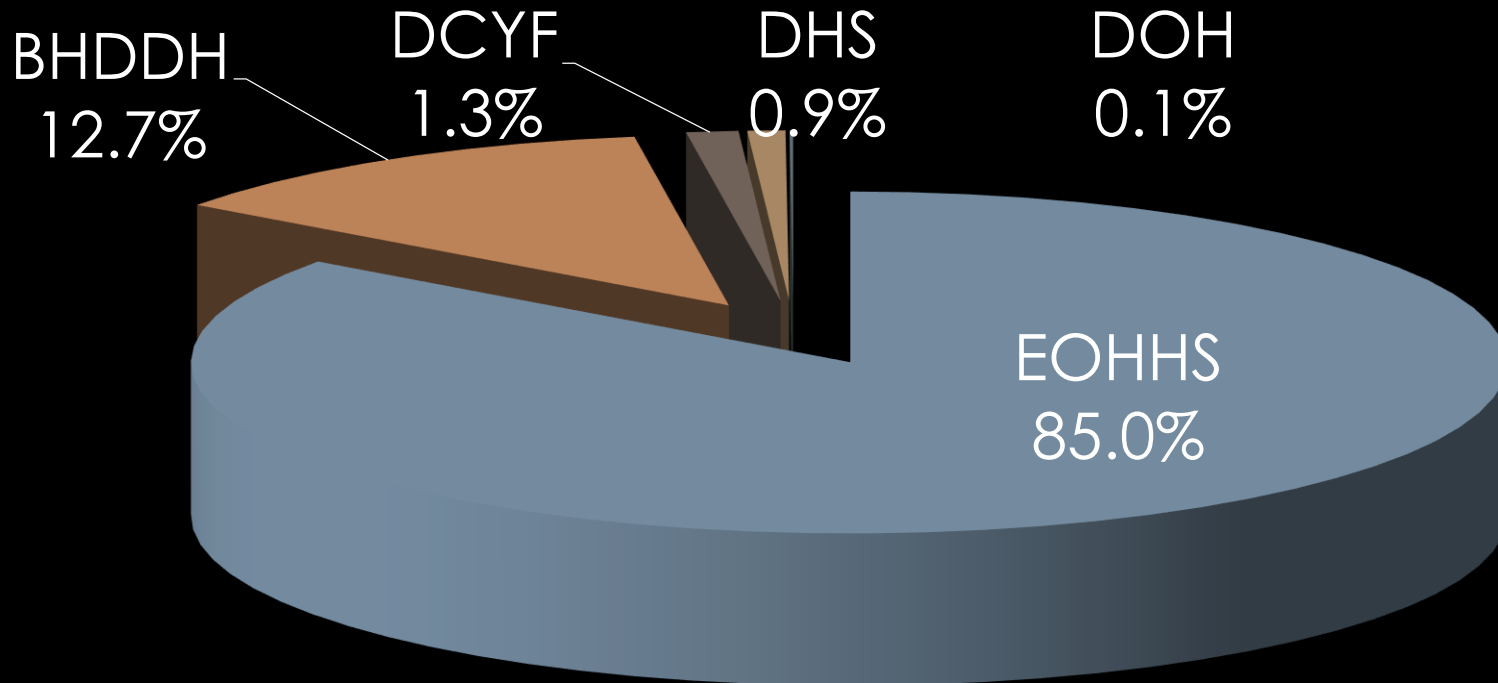
Executive Office of Health and Human Services

- Intended to improve the efficiency and coordination of health and human services policy, planning, budgeting and financing functions
- State Medicaid Agency
 - Medicaid expenses appear in 4 agencies
 - Other Medicaid programs in DCYF and BHDDH

Medicaid - % of Total Budget



Medicaid Spending by Department



Medicaid Beneficiaries

Children & Parents	EOHHS	DCYF
Medical Benefits	X	
Mental Health Treatment	X	
Substance Abuse Treatment	X	
Other Community Supports		X

Undistributed Savings

- FY 2018 enacted budget includes \$25.0 million of statewide savings
 - Undistributed in DOA's budget
- Governor's revised budget has proposals that total \$25.0 million
 - Not all repeat in FY 2019
- DCYF
 - FY 2018 revised – \$0.5 million from gen rev
 - FY 2019 – \$0.2 million from gen rev

Undistributed Savings

Item	FY 2018		FY 2019	
	Gen. Rev.	Total	Gen. Rev.	Total
Voluntary Retirement Incentive	\$0.5	\$0.7	\$0.2	\$0.3
Total	\$0.5	\$0.7	\$0.2	\$0.3
\$ in millions				

Centralized Services

- 2017 Assembly authorized establishment of internal service funds for centralized services
 - Information technology, capital asset management & maintenance, & HR
- Costs previously budgeted in DOA
 - Methodology on distribution needs review
 - Long term impacts and transparency concerns

Centralized Services

- Governor's budget allocates costs to user agencies

DCYF	FY 2018		FY 2019	
	Gen Rev	Total	Gen Rev	Total
Information Technology	\$1.5	\$2.3	\$1.5	\$2.3
Facilities	1.2	1.2	1.2	1.2
Human Resources	0.7	0.8	0.7	0.8
Total	\$3.4	\$4.3	\$3.4	\$4.4
\$ in millions				

Staffing

Full-Time Equivalent Positions

Full-Time Positions	FTEs	Chg. To Enacted
Enacted Authorized	616.5	-
FY 2018 Gov. Rev.	616.5	-
FY 2019 Request	616.5	-
FY 2019 Governor	619.5	3.0
FY 2019 Funded FTE	584.9	(31.6)
Filled as of March 31	550.0	(66.5)
FY 2017 Average Filled	531.1	(85.4)

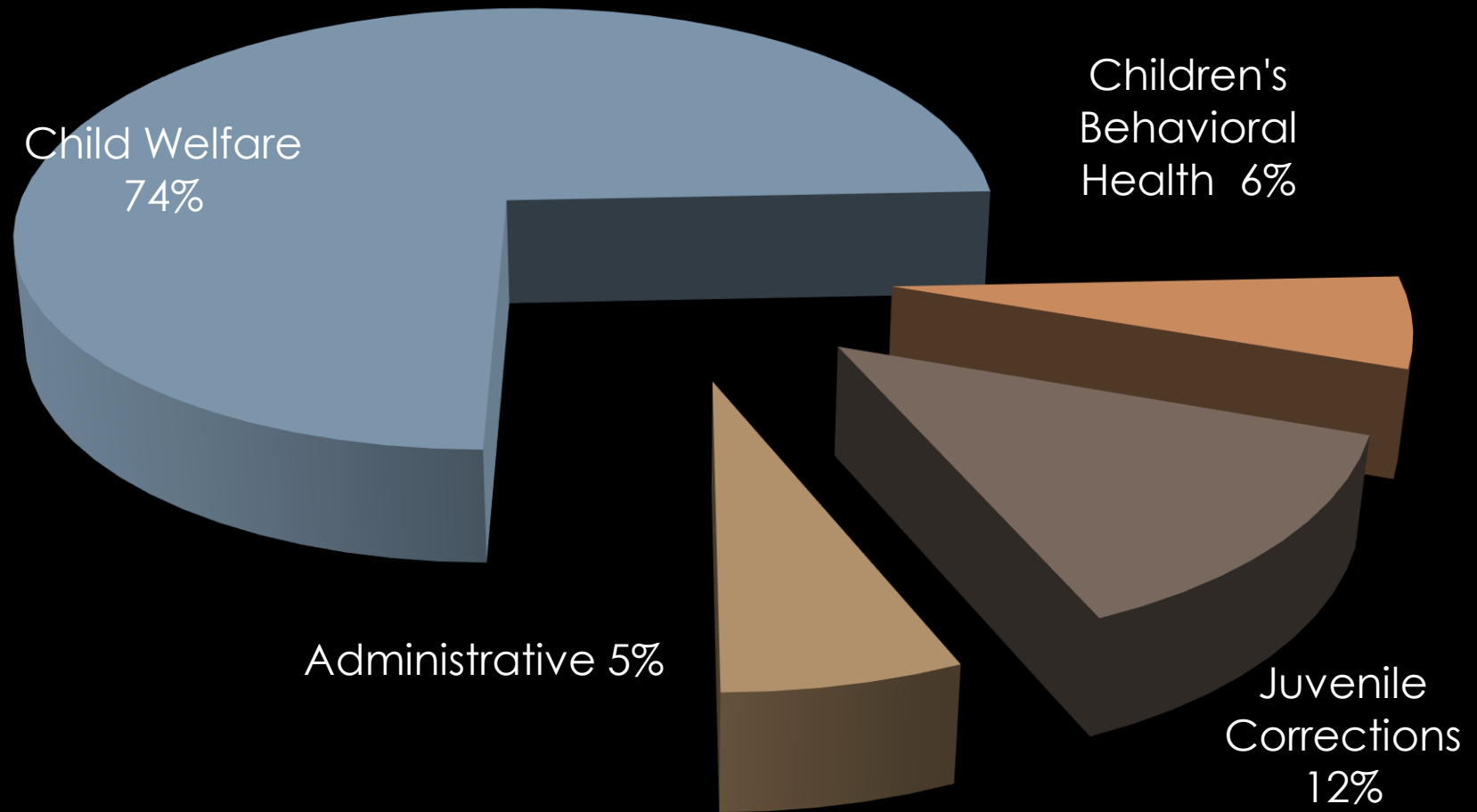
Staffing

FY 2019 Governor Recommendation		
	DCYF	Statewide
Gross Salaries (in millions)	\$47.6	\$1,117.1
Turnover (in millions)	(2.7)	(42.9)
Turnover %	5.6%	3.8%
Turnover FTE	34.6	592.2
FY 2019 FTE recommended	619.5	15,426.5
Funded FTE	584.9	14,834.3
Filled as of March 31	550.0	13,849.4
Funded but not filled	34.9	984.9

Summary By Program

	FY 2018 Enacted	FY 2018 Gov. Rev.	Chg.	FY 2019 Gov.	Chg.
Child Welfare	\$164.2	\$163.4	(\$0.7)	\$155.5	(\$8.7)
Behavioral Health Services	11.1	12.3	1.2	12.6	1.5
Juvenile Corrections	23.6	26.0	2.4	27.8	4.2
Administration	10.2	12.3	2.1	13.3	3.1
Total	\$209.0	\$214.1	\$5.0	\$209.2	\$0.1
\$ in millions					

FY 2019 Recommended by Program

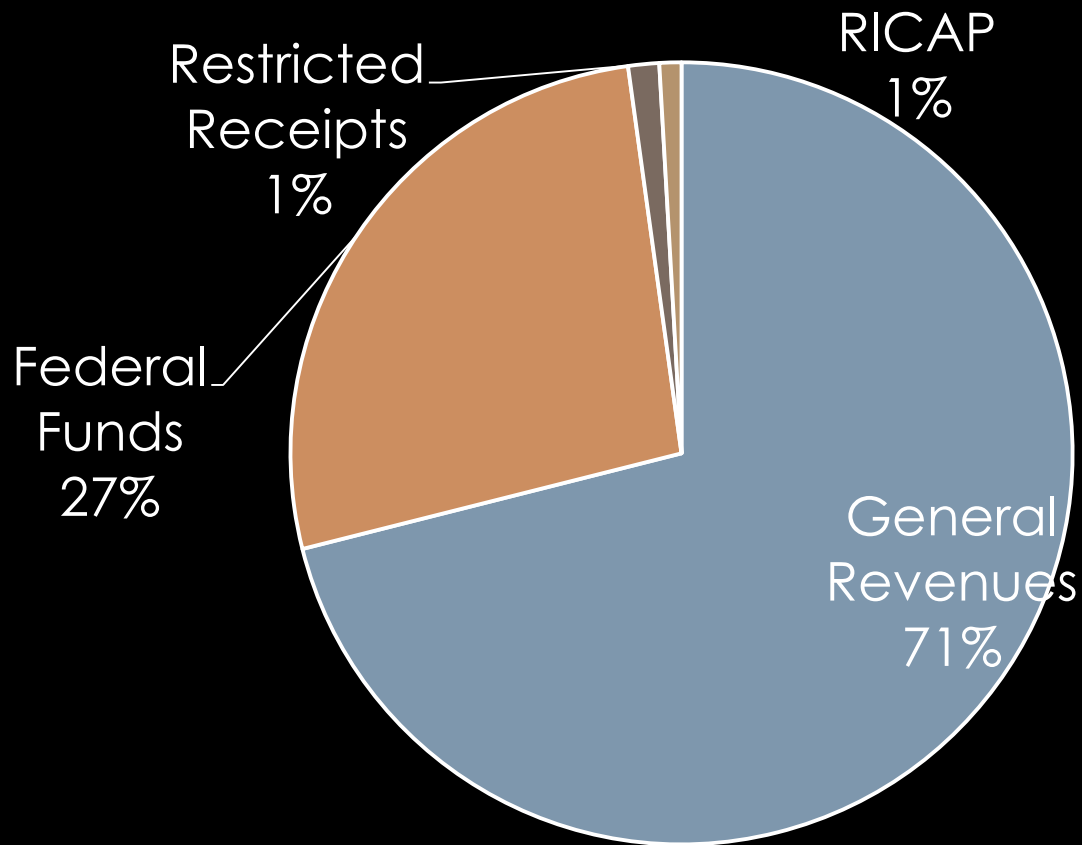


Summary By Source

	FY 2018 Enacted	FY 2018 Gov. Rev.	Chg.	FY 2019 Gov.	Chg.
General Revenues	\$145.9	\$152.6	\$6.7	\$148.6	\$2.8
Federal Funds	59.0	57.7	(1.3)	55.9	(3.1)
Restricted Receipts	3.1	2.6	(0.5)	2.7	(0.5)
RICAP	1.1	1.2	0.2	1.9	0.9
Total	\$209.0	\$214.1	\$5.0	\$209.2	\$0.1

\$ in millions

FY 2019 Recommended by Source



Summary By Source - Adjusted

	FY 2018 Enacted	FY 2018 Gov. Rev.*	Chg.	FY 2019 Gov.*	Chg.
General Revenues	\$145.9	\$149.2	\$3.4	\$145.2	(\$0.6)
Federal Funds	59.0	56.8	(2.3)	55.0	(4.0)
Restricted Receipts	3.1	2.6	(0.5)	2.7	(0.5)
RICAP	1.1	1.2	0.2	1.9	0.9
Total	\$209.0	\$209.8	\$0.7	\$204.8	(\$4.3)

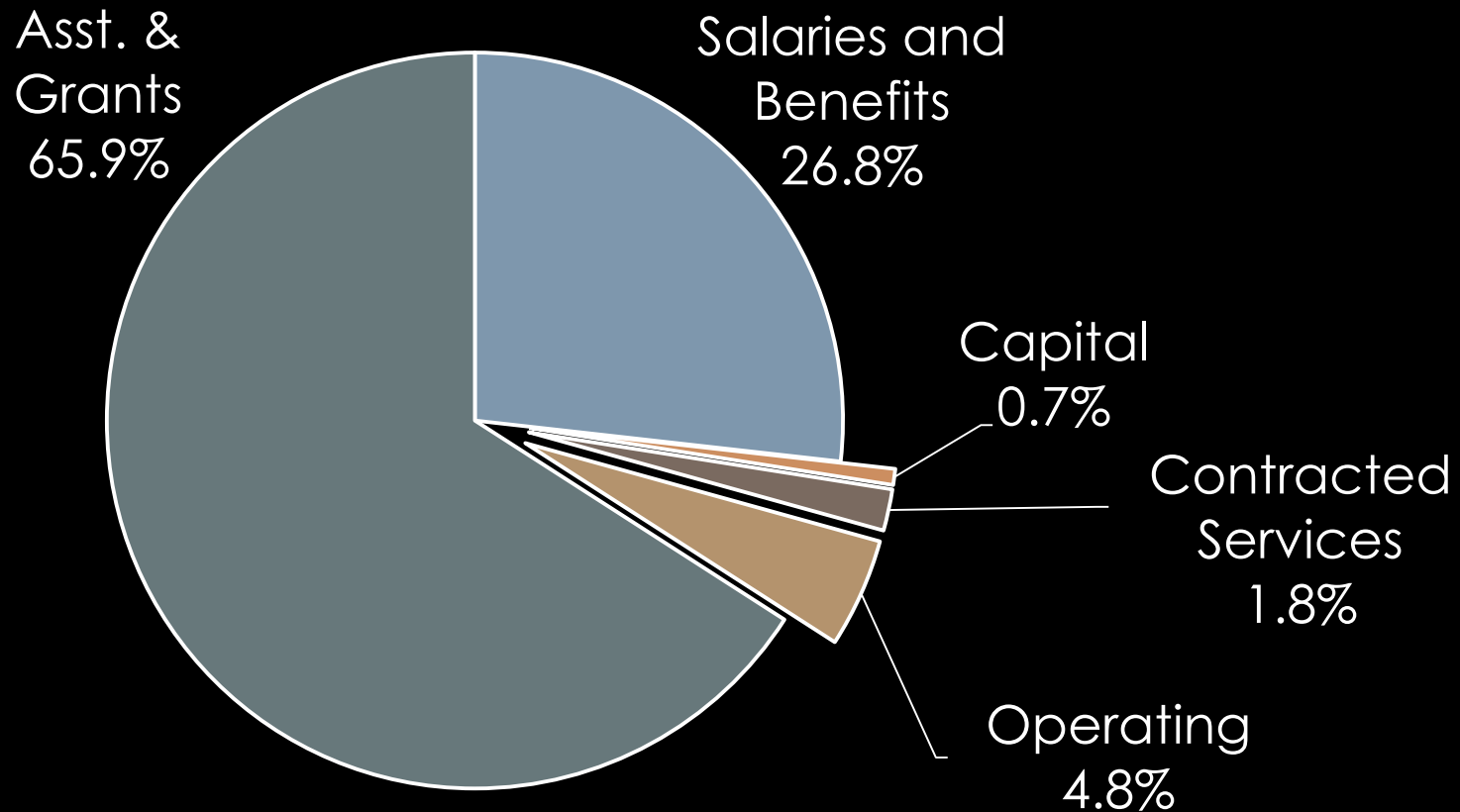
*Excluding centralized services

\$ in millions

Summary By Category

	FY 2018 Enacted	FY 2018 Gov.	Chg.	FY 2019 Gov.	Chg.
Sal & Ben	\$72.7	\$70.0	(\$2.7)	\$72.1	(\$0.6)
Contracted	4.2	4.7	0.5	4.9	0.7
Operating	7.3	12.5	5.3	12.9	5.6
Asst/Grants	123.8	125.7	1.8	117.4	(6.4)
Capital	1.1	1.2	0.2	1.9	0.9
Total	\$209.0	\$214.1	\$5.0	\$209.2	\$0.1
FTEs	616.5	616.5	-	619.5	3.0
\$ in millions					

FY 2019 Recommended by Category



Target Budget

- Budget Office target of \$133.4 million
- Current service adjustments: \$2.0 million
 - 10.0% reduction of \$14.5 million
- Department's constrained request is \$19.9 million above
 - Includes \$11.2 million in savings proposals
- Governor's recommendation is \$11.9 million above the target
 - Excluding centralized services

DCYF Recent Issues Timeline

FY 2015/FY 2018	
January 2015	Director Retires Chief Strategy Officer - EOHHS appointed
March 2016	Networks Contracts End – short term subcontracts signed
October 2016	Child Fatality Review Panel Convened
January 2017	New Contract Procurement Complete
March 2017	New DCYF Director confirmed
March 2017	Child Fatality Review Panel Report
January 2018	Children's Rights Settlement

DCYF Budget Issues

- Children's Rights Settlement
- 2nd Quarter Report
 - Corrective Action Plan
 - Mainly for overspending related to new contracts
 - Unachieved savings
- Foster Care
 - Rates
 - Recruitment

Children's Rights Settlement

- 2007 – Office of the Child Advocate & Children's Rights filed a lawsuit against DCYF alleging abuse and neglect in the foster care system
- Several years of litigation followed
 - Including appeals in 2010 and 2014
- Parties agreed to mediation in 2015

Children's Rights Settlement

- RI reached settlement with Children's Rights in January 2018
 - A \$3.5 million payable was booked in FY 2017 final audit anticipation of settlement
 - Part of the settlement provides for an independent monitoring team
 - Office of the Child Advocate as the monitor
 - Independent evaluator to verify data and serve as final arbiter for information submitted by DCYF to meet its obligation under the agreement

Children's Rights Settlement

- Settlement addresses:
 - Assessments
 - Placements
 - Shelters and assessment and stabilization centers
 - Congregate care
 - Sibling placement
 - Case management
 - Caseworker-child, sibling and parent-child visitation

Children's Rights Settlement

- Settlement addresses:
 - Licensing
 - Child Protective Services
 - Case Plans
 - Maltreatment in Care
 - Foster Home Array
- Governor adds 0.6 FTE position in Office of the Child Advocate to assist the with the new responsibilities under the settlement agreement

Placements & Services

Division	Populations	Services	#	Funding
Child Welfare	Children under DCYF direct supervision Families in need of services	<ul style="list-style-type: none"> Foster Care & Adoption Residential Home & Comm. Based Services 	3,263	State and Federal Funds, including Medicaid & Title IV-E
Children's Behavioral Health				
Juvenile Corrections	Youth adjudicated through Family Court	<ul style="list-style-type: none"> Training School Comm. Based Programs 	55 at RITS (44 males) (11 females) 356 on probation	State & Federal Funds

Placements & Services

Service Type	Program
Foster Care – Kinship	With relatives and close family friend
Foster Care – Non-Kinship	With DCYF licensed family
Foster Care – Private Agency/ Specialized	Family placements recruited through private agency, community partners
Adoption Assistance/Guardianship	Subsidies to those 18 to 21, depending on eligibility

Placement & Services

Definitions	Program
Residential Group Care Services	<ul style="list-style-type: none">• Group Homes• Residential treatment w/campus education (incl. special populations)• Semi-independent living
Day Care	<ul style="list-style-type: none">• Provided to foster care parents & eligible adoption assistance/guardianship families
Independent Living Programs	<ul style="list-style-type: none">• Supported apartment setting - youth living on own or with another youth

Placements & Services

Definitions	Program
Assessment & Stabilization Centers	<ul style="list-style-type: none">• Short term programs to immediately engage with youth and provide clinical care and assessment
Home & Community Based Care	<ul style="list-style-type: none">• Family Stabilization Programs• Supervised Visitation• Parent Training Programs• Foster & Kinship Care supportive services• Disruptive behavioral mgt.• Mental health treatment srv.

Placements & Services

- System of Care was to:
 - Reduce lengths of stay
 - Increase effectiveness of treatment interventions
 - Ensure more effective transitions to community-based services
 - Increase the availability of community based services for families
 - Reduce children in out of home care

Placements & Services

- DCYF's contract with two lead networks through the System of Care expired on March 31, 2016
 - DCYF took over responsibility for all new referrals within its Central Referral Unit
 - DCYF staff also now responsible for needs assessments to ensure that children receive appropriate level of care at initial placement

Placements & Services

- DCYF entered into 116 contracts with 38 providers
- Providers asked to identify if willing to become Medicaid provider
 - 3 are Medicaid providers in other states
 - 3 are providers in the adult system
- Actions taken by DCYF and/or EOHHS to expedite the process?

DCYF – FY 2018

- DCYF 1st quarter report included \$10.0 million general revenues overspending
- Submitted November 1st
 - Included cost for new provider contracts
- DCYF revised request adds \$10.0 million
- Governor's recommended budget adds \$6.7 million to address the deficit
 - DCYF Q2 report is \$8.6 million more than Governor for total of \$15.3 million
 - 3rd quarter closed 3/31 – report due 4/30

DCYF – FY 2018

- DCYF submitted a corrective action plan
 - Institutional Care Rate Reduction - \$2.0 million
 - Group homes, assessment and stabilization centers
 - Contract Rate Reductions - \$1.2 million
 - Increased Federal Claiming - \$0.6 million
 - Using Enhanced Family Support Services - \$0.3 million

Youth in Care- Q2 Report

Placements & Services		# of Participants	Per Diem	Total*
Foster Care	Kinship	1,100	\$19.91	\$8.0
	Non Kinship	557	\$20.64	4.2
	Specialized	394	\$120.22	17.3
Guardianship		688	\$19.01	4.8
Adoption Assistance		2,343	\$21.10	18.0
Home & Community Based Services		1,208	N/A	20.2

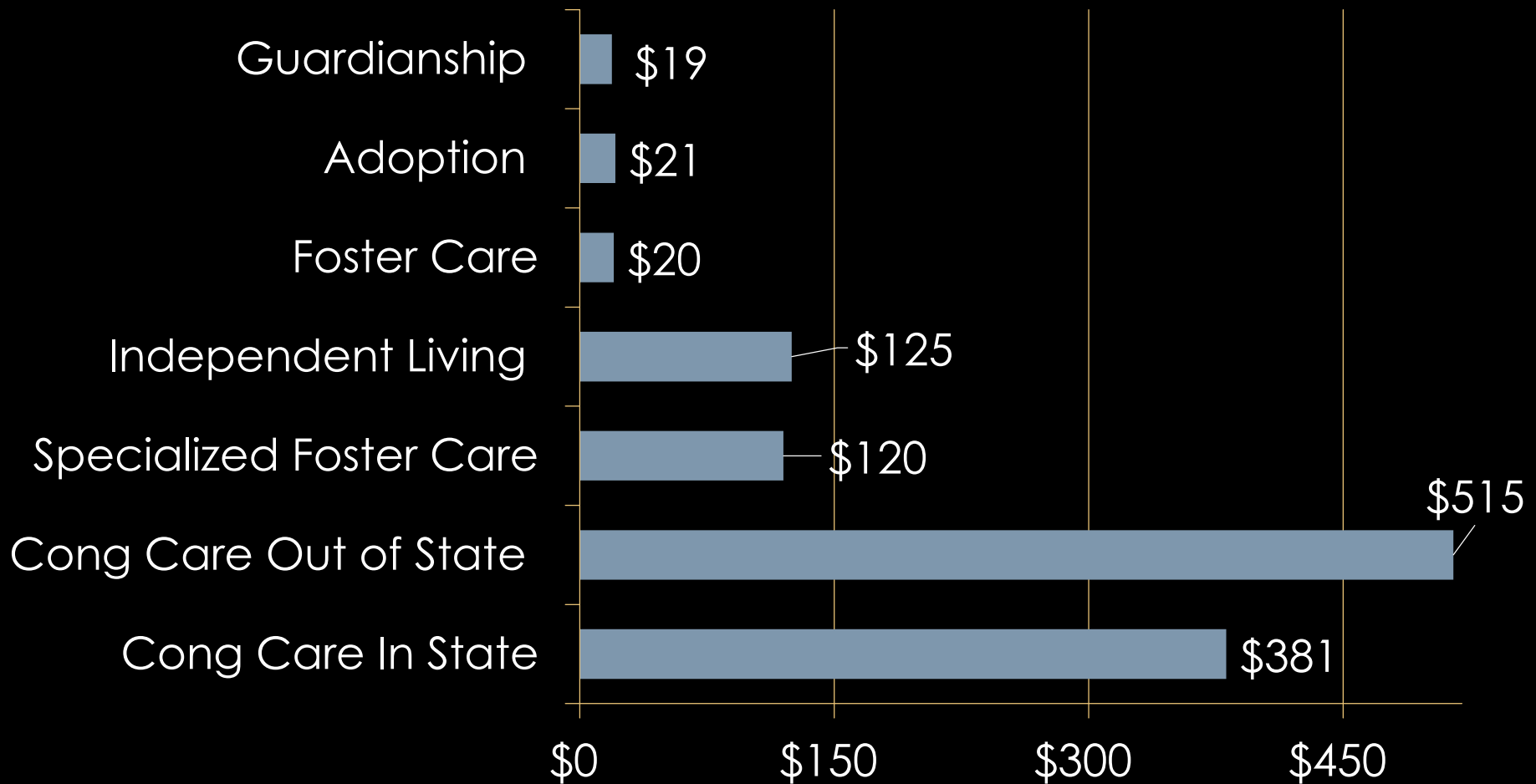
* in millions

Youth in Care – Q2 Report

Placements & Services		# of Participants	Per Diem	Total*
Congregate Care	In State	376	\$389.21	\$52.3
	Out of State	40	\$515.55	7.5
Independent Living		24	\$125.03	1.1
Total		6,703	N/A	\$133.7

* in millions

Youth in Care: Average Per Diem Rates



Placement & Services

Placements & Services	FY 2018 Enacted	FY 2018 Gov. Rev.	Chg.	FY 2019 Gov.	Chg.
Child Welfare	\$82.9	\$87.8	\$4.9	\$81.3	(\$1.7)
Behavioral Health Services	35.2	33.0	(2.3)	31.0	(4.2)
Total	\$118.2	\$120.7	\$2.6	\$112.3	(\$5.9)
\$ in millions					

Placements & Services

- Governor's recommendation
 - FY 2018 - \$120.7 million from all sources
 - \$82.9 million from general revenues
 - FY 2019 - \$112.3 million from all sources
 - \$81.3 million from general revenues
- Accepts corrective action plan
 - Contract changes and rate reductions
 - Enhanced federal claiming
 - Savings greater in FY 2019 with full year implementation

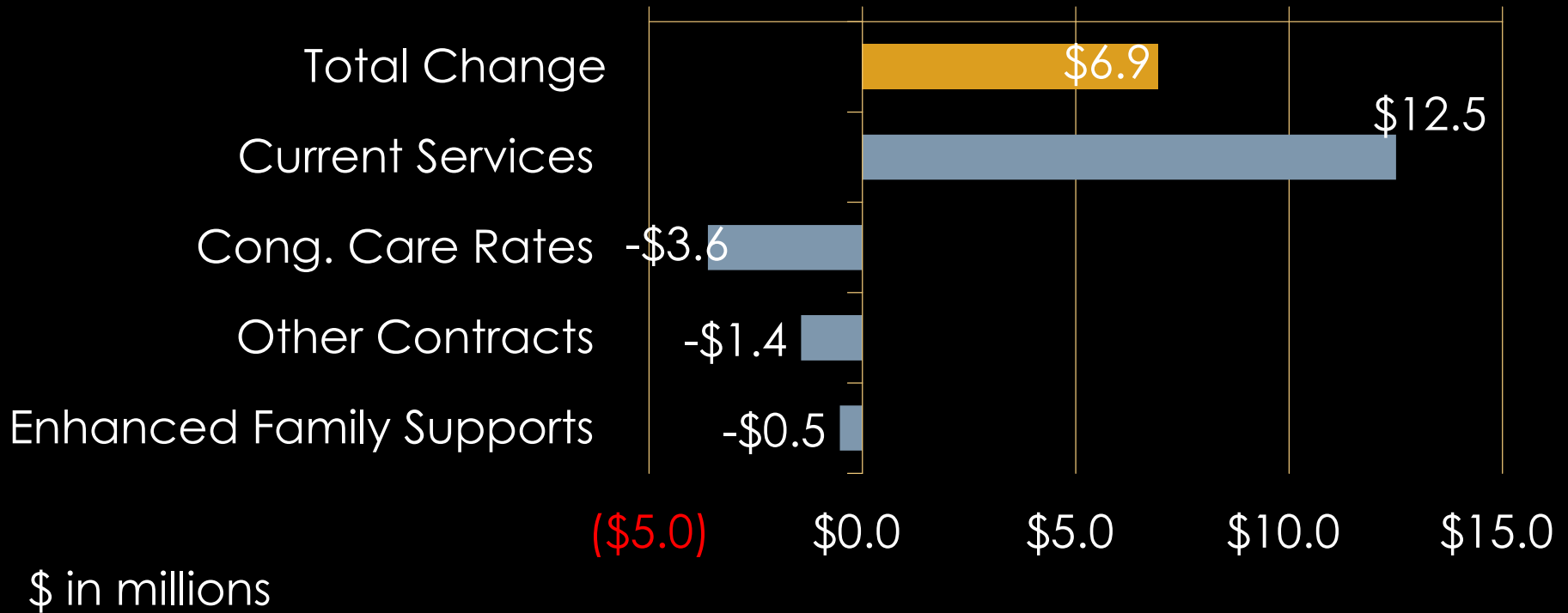
Governor's Recommendation

Savings Proposals	FY 2018		FY 2019	
Current Services	\$8.9	\$12.5	\$20.3	\$25.0
Institutional Services	-	-	(4.0)	(7.2)
Congregate Care	(2.0)	(3.6)	(3.3)	(4.5)
Contract Reductions	(1.2)	(1.4)	(2.5)	(2.9)
Enhanced Family Support Services	(0.3)	(0.5)	(0.6)	(1.1)
Enhanced Claiming	(1.1)	-	(2.5)	-
Total	\$4.3	\$6.9	\$7.4	\$9.3
\$ in millions				

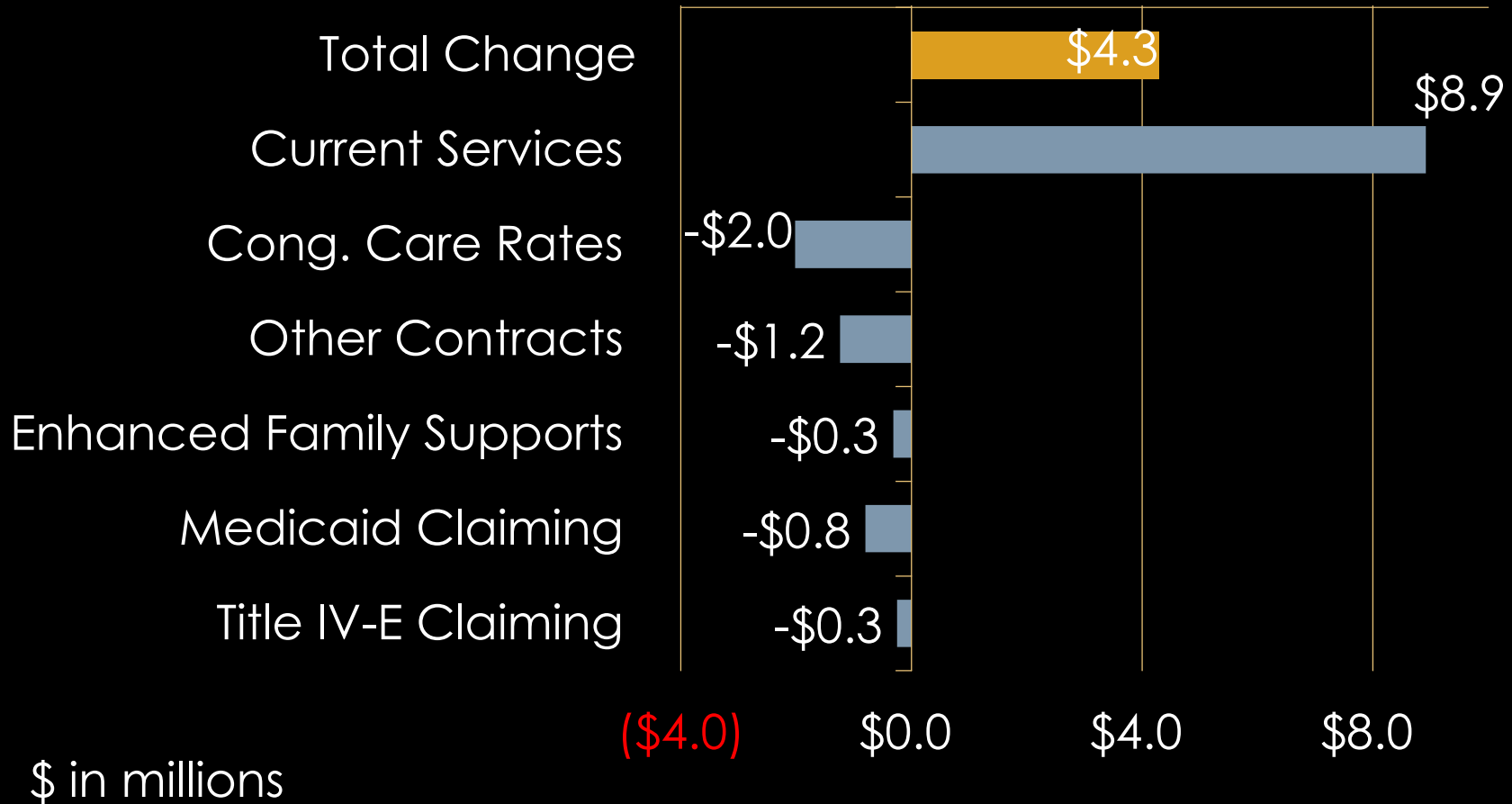
Governor's Recommendation

Proposals	Explanation	FY 2018 Action Taken
Institutional Services	Per diem increased from \$274.06 to \$346.15	Renegotiated contracts and/or closed programs, impact to 5 contracts
Congregate Care	Reduce caseload mix to less costly settings	Census decline offset by increase in foster care
Other Contracts	In negotiations with providers to reduce contracts	Eliminated or reduced contracts to reflect census or utilization – 23 contracts
Enhanced Family Support Services	Shifting supports to lower rate through family stabilization program from higher Preserving Family Network program	Change made 1/1/2018

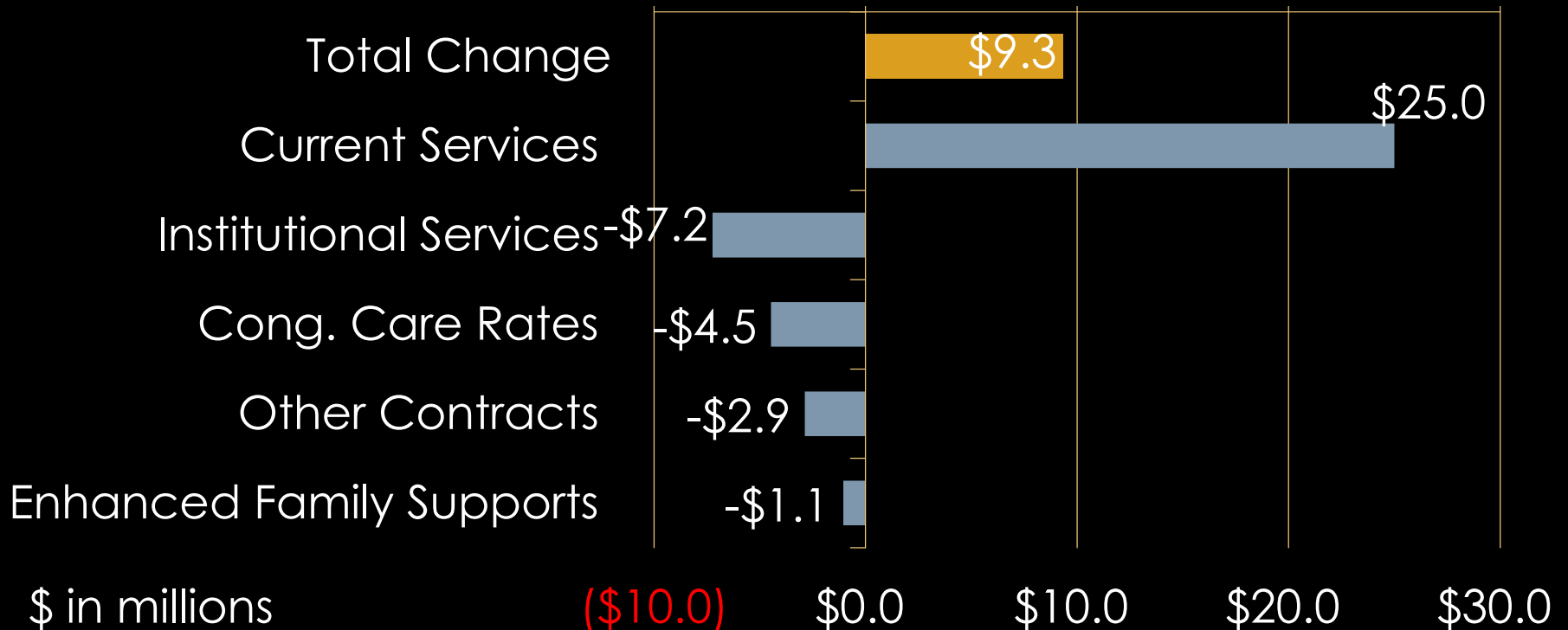
Placements and Services – Revised – All Funds



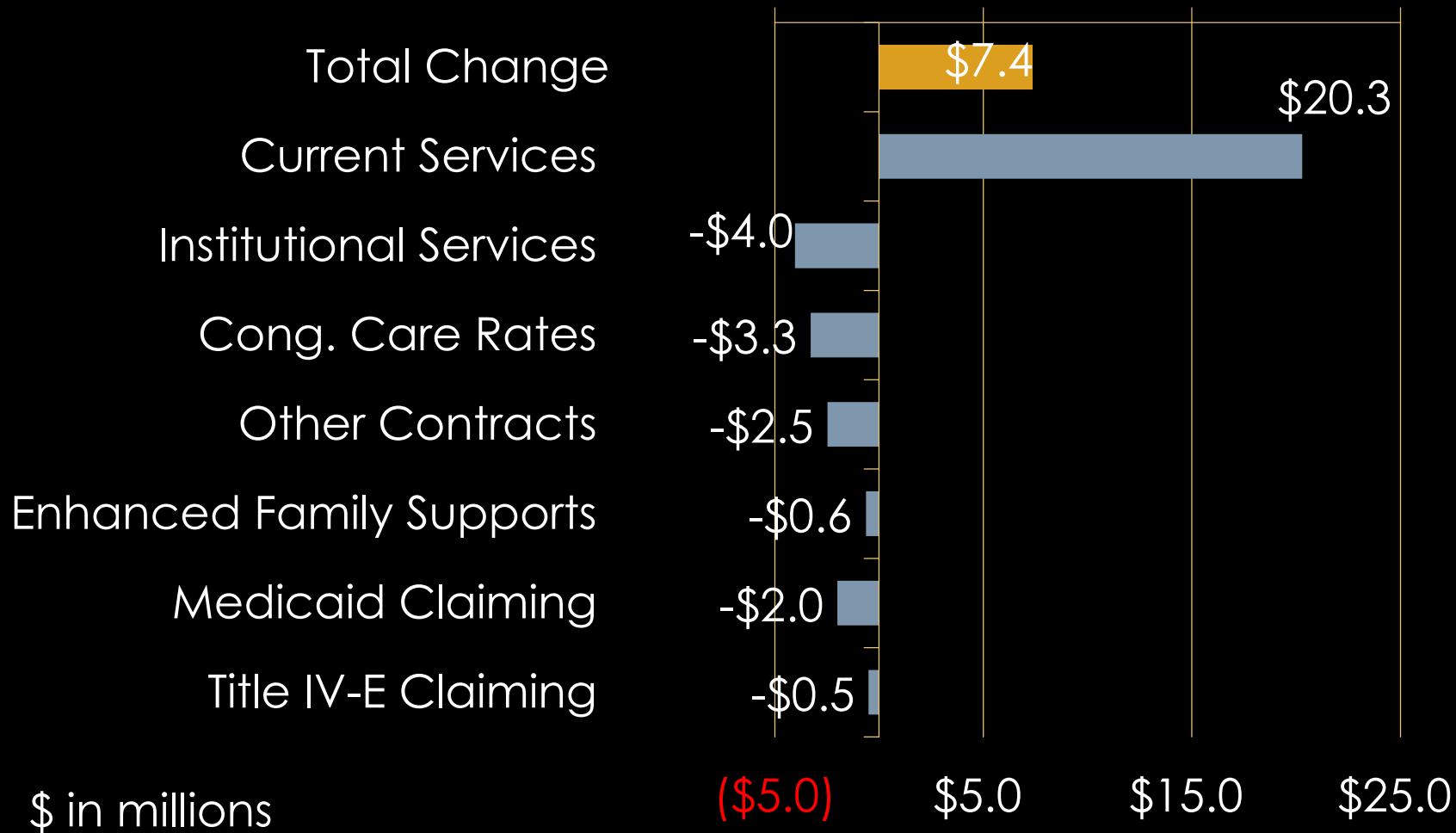
Placements and Services – Revised – General Revenues



Placements and Services – FY 2019– All Funds



Placements and Services – FY 2019– General Revenues



Foster Care and Adoption

- Foster Care
 - Short term foster care assistance
 - Payments made to foster parents
 - Includes foster care with relatives
- Guardianship and Adoption Assistance
 - Adoption and guardianship payments
 - Payments made to foster parents and guardians

Foster Care and Adoption

- FY 2016 - \$27.7 million
- FY 2017 - \$29.7 million
- FY 2018 Governor Rev. - \$30.5 million
 - \$22.3 million from general revenues
 - \$3.0 million more than enacted
- FY 2019 Governor Rec. - \$34.4 million
 - \$25.2 million from general revenues
 - \$6.9 million more than enacted
 - \$1.3 million for rate increase

Foster Care

- Governor's budget adds \$1.3 million to raise foster care rates
 - \$1.1 million from general revenues

Cohort	Current Rate	Gov. Rec.	Change
Birth to 3	\$17.95	\$21.92	\$3.97
Age 4 to 11	\$19.26	\$24.71	\$5.45
12 and older	\$21.01	\$26.26	\$5.25

Daycare

- DCYF provides daycare subsidies for children in its care
 - Offered to working foster parents
 - Daycare is paid in addition to base daily reimbursement given for foster care
- UHIP issues also impact DCYF program
 - Caseload reporting and payments to providers are an issue

Daycare

- FY 2018 & 2019 - \$6.1 million
 - \$5.0 million from general revenues
 - Consistent with the enacted
- Article 15 increases rate – infant/toddler
 - \$1.5 million from general revenues added to DHS's Child Care Assistance Program
 - A portion will be used for DCYF
 - Also new union agreement with family care providers – not included in the budget

Unified Statewide Education Plan

- Unified Statewide Education Plan
 - Governor adds \$100,000 for high quality early learning curriculum in Department of Elementary & Secondary Education
 - Part of Governor's 3rd Grade reading initiative
 - 75% of 3rd graders will read at grade level by 2025
 - Provide high quality literacy instruction
 - State-wide screening, referral & response system for high-risk student
 - Governor includes \$6,300 in DCYF
 - Contract with Seven Hills – increases by 10%

18 – 21 Year Olds

- FY 2018 – \$14.8 million from all funds
 - \$12.6 million from general revenues
- FY 2019 – \$13.5 million
 - \$11.3 million from general revenues
- Funding supports:
 - Residential
 - Community based services
- Governor includes Article 15 for Voluntary Extension of Care program

Juvenile Corrections

- Rhode Island Training School for Youth
 - Two highly structured, secure facilities for youth placed by order of the Family Court on a finding of waywardness or delinquency
 - RI General Law sets population cap at 160
 - Capacity: 148 boys and 12 girls
 - Average for FY 2018 as of April 1: 44 boys/11 girls
 - 24 hour/365 day residential school providing housing, food services, clothing, medical care, education and assessments

Juvenile Corrections

- Juvenile Probation and Parole
 - Supervises adolescents placed on probation by Family Court
 - As of April 1: 356

Training School Average	FY 2015	FY 2016	FY 2017	FY 2018*
Male	74	67	62	44
Female	16	12	10	11
Total	90	79	72	55

*As of April 1, 2018

Juvenile Corrections

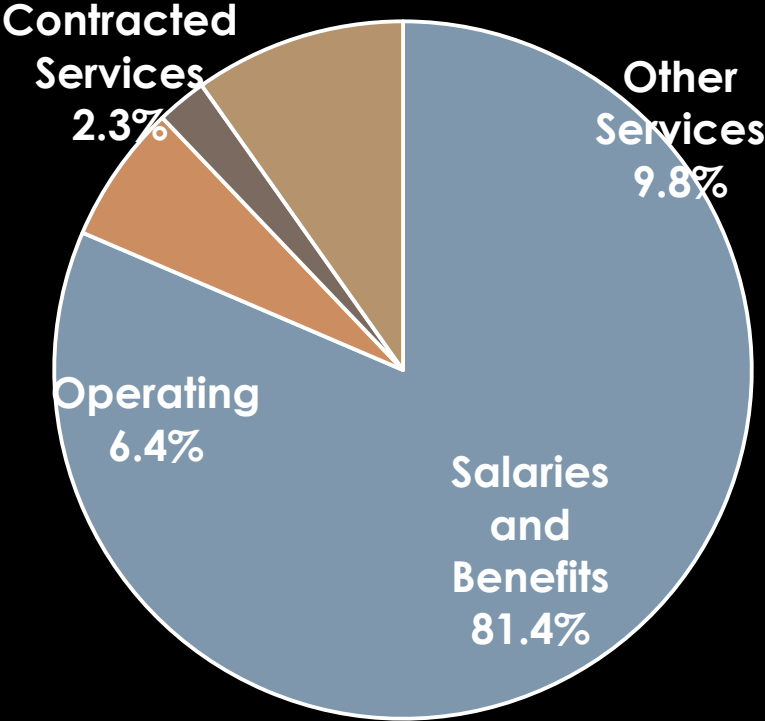
- Institutional Services: \$15.6 million
- Educational Services: \$2.7 million
- Probation and Parole: \$5.2 million

	FY 2018 Enacted	FY 2018 Gov. Rev*	Chg	FY 2019 Gov Rec*	Chg
Gen. Rev.	\$22.8	\$22.1	(\$0.7)	\$23.2	\$0.4
Fed Funds	0.3	0.3	-	0.3	-
Total	\$23.1	\$22.4	(\$0.7)	\$23.5	\$0.4

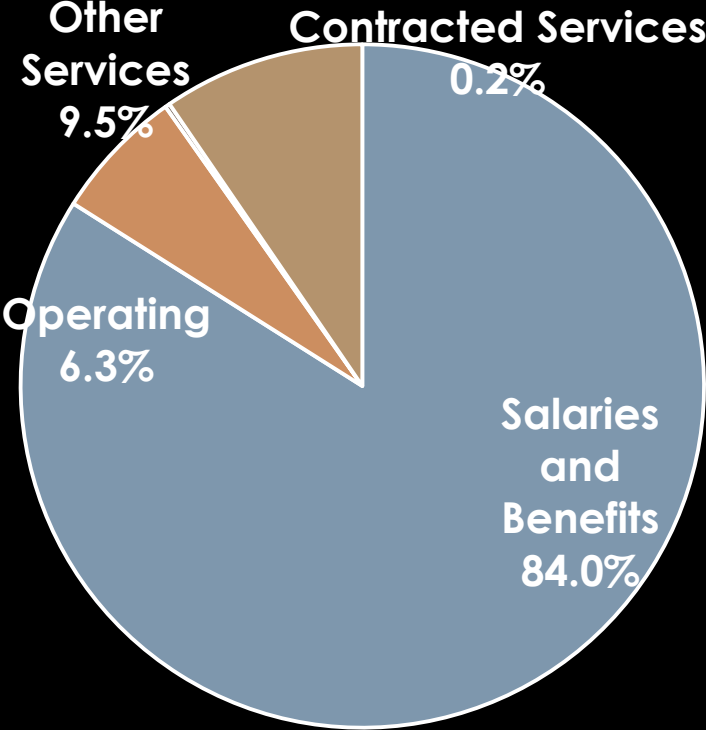
*Excludes centralized services \$ in millions

Juvenile Corrections

FY 2018 GOV. REV.

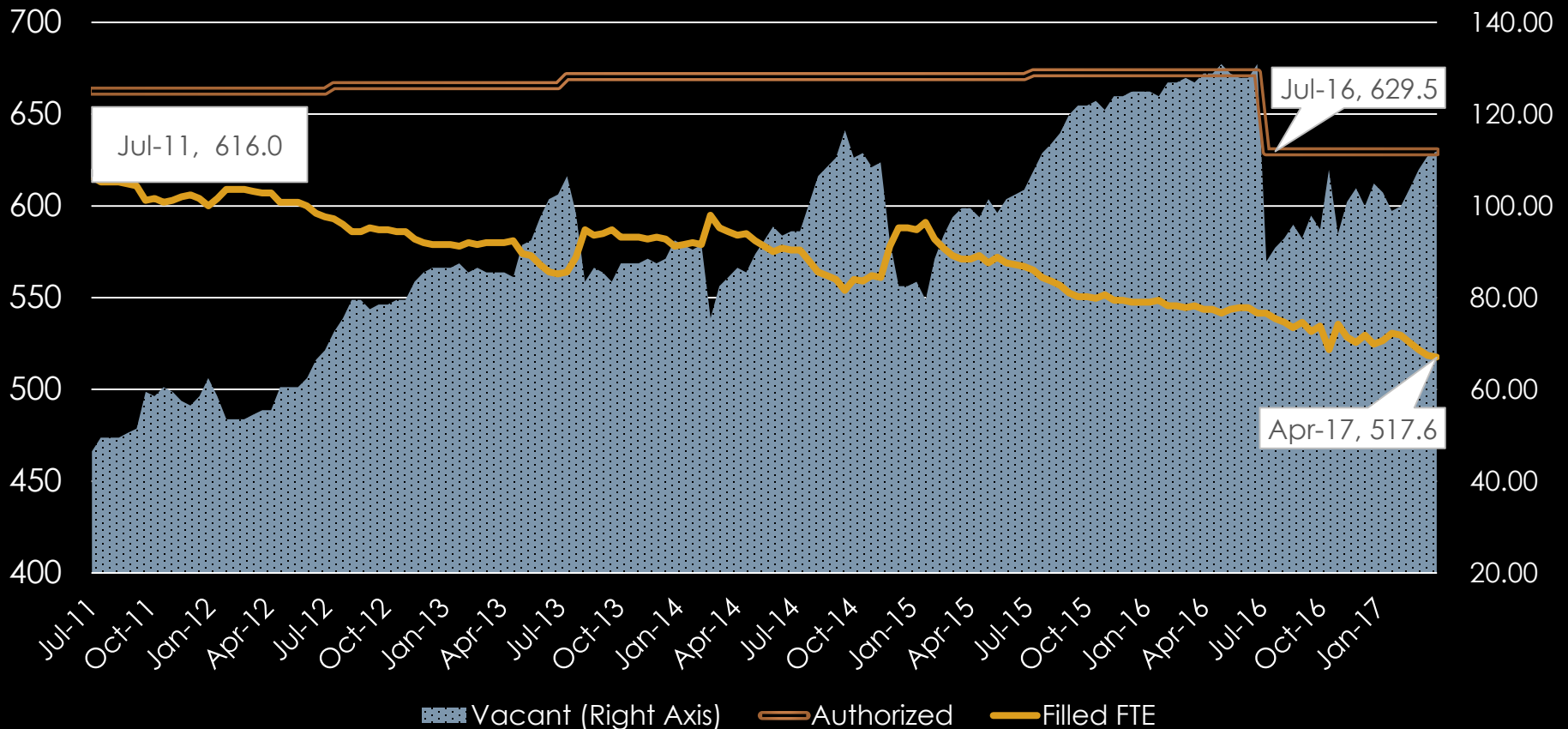


FY 2019 GOV. REC.



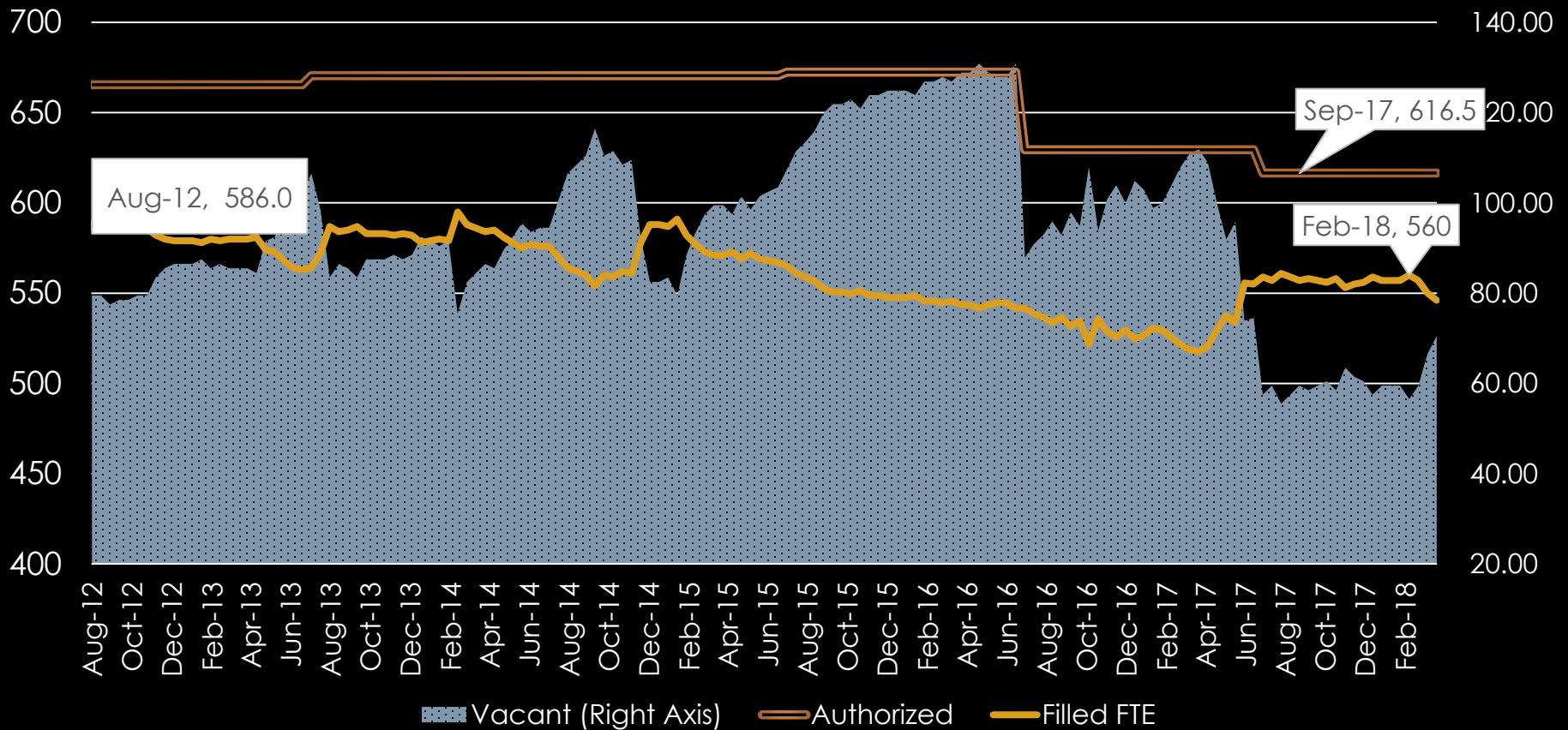
DCYF Staffing History -4/17

Authorized vs Filled Positions



DCYF Staffing History -3/18

Authorized vs Filled Positions



Salaries and Benefits:

Excluding Juvenile Corrections

	Gen. Rev.	All Funds
FY 2017 Spent	\$29.3	\$48.3
FY 2018 Enacted	\$32.8	\$53.8
FY 2018 Gov. Rev.	\$31.1	\$51.7
Gov. Chg. to Enacted	(\$1.7)	(\$2.1)
FY 2019 Request	\$32.9	\$53.8
FY 2019 Gov. Rec.	\$32.1	\$52.8
Gov. Chg. to Enacted	(\$0.7)	(\$1.0)

\$ in millions

Other

- Contract with Rhode Island College's Child Welfare Institute
 - \$0.2 million in both FY 2018 & FY 2019
- Energy efficiencies unachieved savings
 - Restored \$0.3 million in general revenues
 - FY 2018 revised and FY 2019 budgets
- All other operating
 - FY 2018 - \$0.1 million more, \$0.5 m gen rev
 - FY 2019 - \$0.4 million more, \$0.8 m gen rev

Capital Plan

- Training School:
 - \$0.6 million for FY 2018
 - \$1.9 million for FY 2019
 - \$1.7 million for FY 2020
 - \$0.2 million for FY 2021 through 2023
 - Includes \$4.2 million for new female dormitory
 - Shift of patients from Eleanor Slater to Benton facility
- Generators
 - \$30,802 for FY 2017
 - \$650,000 for FY 2018

2018 – H 7200

- Article 15
 - Voluntary Extension of Care
 - Licensed Foster Home Lead Inspections
 - Child Care Violation Penalties

Department of Children, Youth and Families

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