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March 24, 2021

## Assembly Committee on Children and Families

**RE: Representative Rozar Testimony on AB 143** – Relating to qualified residential treatment programs and granting rule-making authority.

Good morning, Chairman Snyder and members of the Assembly Committee on Children and Families. I appreciate the opportunity to testify in favor of Assembly Bill 143.

Last session, a bill encompassing a part of this proposal regarding the creation of Qualified Residential Treatment Programs passed the Assembly Committee on Children and Families, the Senate Committee on Universities, Technical Colleges, Children and Families, the full Assembly, and had been scheduled for the final Senate floor session prior to everything shutting down.

On February 9, 2018, the federal Family First Prevention Services Act (FFPSA) was signed into law. FFPSA alters the type of congregate care settings that are eligible for Title IV-E child welfare funding. A Qualified Residential Treatment Program (QRTP) is the only type of congregate care setting eligible for Title IV-E funding under FFPSA. Currently, Wisconsin statute and administrative rules provide for three types of licensed congregate care providers: shelter care, group homes, and Residential Care Centers. None of these current provider types match the QRTP criteria. Wisconsin must enact provisions in statute that will allow for the creation of QRTPs to preserve the opportunity to claim federal Title IV-E funding for congregate care placements after September 29, 2021. This legislation will also help make certain that out-of-home placements are appropriate and meeting a child's needs.

Wisconsin claimed \$8.2 million in Fiscal Year 2019 and \$8.3 million in Fiscal Year 2020 for Title IV-E congregate care placements.

The well-being of children throughout our state depends on this funding and children need appropriate placement to meet their unique needs. It is important that Wisconsin pass this legislation.



— Alberta Darling —

Wisconsin State Senator · District 8

Assembly Committee on Children and Families

Assembly Bill 143

Wednesday, March 23, 2021

Thank you Chair Snyder and committee members for taking the time to hear Assembly Bill 143. The bill before the committee reforms our congregate care homes to meet the requirements laid out in the federal Family First Prevention Services Act (FFPSA).

In 2018, the FFPSA was signed into law as part of the Bipartisan Budget Act. The law changes federal investments into child welfare by putting more resources towards prevention and limiting the use of non-family settings, like congregate care and group homes, for children in out-of-home care. Wisconsin has a deadline of October 1, 2021 to implement the new FFPSA provisions.

One key provision of the FFPSA changes funding eligibility for congregate care. Under the FFPSA, only Qualified Residential Treatment Programs (QRTP) are eligible for federal reimbursement for services provided to youth in congregate care settings in out-of-home care. QRTPs would be a new type of congregate care setting for Wisconsin. Currently in Wisconsin, we operate shelters, group homes, and Residential Care Centers. None of these currently licensed providers match the QRTP criteria. In order to enable federal Title IV-E reimbursement funds for congregate care placements, Assembly Bill 143 creates a QRTP certification in statute and administrative rule.

Assembly Bill 143 allows the Department of Children and Families to promulgate rules to establish, certify, and operate QRTPs within group homes, shelters, or residential care centers. In order to comply with the FFPSA, the bill also enhances current requirements in state law surrounding a child's permanency plan. Assembly Bill 143 also incorporates judicial approval of a QRTP placement into existing change of placement statutes.

The FFPSA changed the way Wisconsin will receive federal funds for child welfare services. Without passage of Assembly Bill 143, Wisconsin faces to lose approximately \$8.2 million per year in federal funds. Assembly Bill 143 updates our statutes to ensure our providers are still eligible for federal funds, continue serving our kids, and also ensure Wisconsin taxpayers don't pay more than their fair share to keep our child welfare system running.

I hope to count on your support for this legislation.



STATE SENATOR  
**LaTonya Johnson**

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WISCONSIN STATE SENATE

6<sup>TH</sup> DISTRICT

Assembly Committee on Children and Families  
Testimony on Assembly Bill 143  
March 24, 2021

Good morning members of the committee,

Thank you for holding this hearing on Assembly Bill 143 (AB 143), which allows the Department of Children and Families (DCF) to promulgate rules regarding Qualified Residential Treatment Programs (QRTP).

The 2018 federal Family First Prevention Services Act (FFPSA) represents a sea change in the way that child welfare systems will be incentivized to promote primary prevention of child abuse and neglect as well as move away from certain types of congregate care settings for children in out-of-home care. FFPSA does this by tying these programmatic changes to a states' utilization of federal Title IV-E funding.

To that end, FFPSA, with narrow exceptions, requires congregate care to be provided by a Qualified Residential Treatment Program in order to be eligible for Title IV-E funding.

QRTPs are not currently defined in Wisconsin statutes or administrative code, so AB 143, and its grant of rule promulgation authority to DCF, is necessary for Wisconsin's child welfare system to continue to utilize millions of dollars in federal Title IV-E funds. Wisconsin has a deadline of September 29, 2021 to implement the FFPSA, so I hope the committee recognizes the urgency of this proposal, and passes it without delay.

I would like to thank my co-authors, Senator Darling, Representative Rozar, and Representative Snyder for their work on this bill and thank you, committee members, for your consideration of this proposal.



**TO:** Chair Snyder, Vice-Chair Ramthun, and Honorable Members of Assembly Children and Families Committee

**FROM:** Wendy Henderson, Administrator, Division of Safety and Permanence

**DATE:** March 24, 2021

**SUBJECT:** 2021 Assembly Bill 143

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Thank you for the opportunity to provide testimony in support of Assembly Bill 143. This bill is an extension of the work started by the legislature in the last biennial budget to support the Wisconsin child welfare system in shifting towards prevention and keeping children with their families. Thank you to the authors of this legislation which will allow DCF to comply with the federal Family First Prevention Services Act.

The Department of Children and Families is committed to the goal that **all** Wisconsin children and youth are safe and loved members of thriving families and communities. To support this goal, the Wisconsin child welfare system is strengthening all Wisconsin families to raise their children. Wisconsin's child welfare system is guided by the following principles, which are also embodied in the new federal child welfare law, the Family First Prevention Services Act, which Wisconsin must implement before October 2021:

- **Prevention:** Child welfare increasingly focuses on preventing children from being removed from their homes by strengthening families to raise their children.
- **Relatives:** Relatives play an important part in children's lives as caregivers or ongoing supports and should be used as out-of-home placements whenever possible.
- **Reunification:** The primary goal is to reunify a child with his/her family whenever it is safe to do so.
- **Permanence:** The child welfare system aims to transition children in out-of-home care (OHC) safely and quickly back with their family, whenever possible, or to another permanent home.

The federal Family First Prevention Services Act (FFPSA or Family First) was passed in 2018. This law shifts the focus of the child welfare system to preventing children from entering out of home care and makes a parallel shift in funding towards prevention and family settings and away from congregate (group) care. Importantly for the purposes of this discussion, under Family First the federal government will only provide federal child welfare reimbursement dollars (Title IV-E funds) for congregate care settings that include specific markers of quality of care. As specified in Family First, the new type of congregate care eligible for federal reimbursement, called a Qualified Residential Treatment Program (QRTP), must include the following components:

- Use a trauma-informed treatment model;
- Have access to 24-hour nursing care and critical individualized medical and psychological treatment and support for children;
- Engage the family throughout the treatment; and
- Provide aftercare services to children and families once they leave the QRTP.

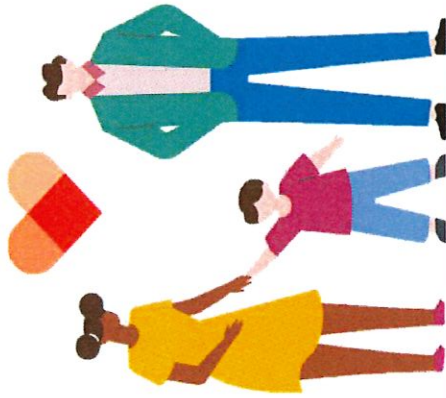
Current state statute and administrative rules provide for three types of licensed child welfare congregate care providers in Wisconsin: shelters, group homes and Residential Care Centers. None of these current license provider types match the QRTP criteria listed above. This bill authorizes DCF to promulgate rules for the establishment, certification, operation, monitoring of, and placement of a child in a QRTP; the bill further provides DCF the authority to certify that a congregate care facility is functioning as a QRTP by determining the facility has met state and federal requirements of a QRTP.

The bill also adds additional requirements for permanency planning for pregnant or parenting youth in out-of-home care and children placed in QRTPs that are necessary in order to claim IV-E funds under Family First. Further, the bill establishes a standardized assessment that must be conducted and judicial findings that must be made whenever a child may be placed in a QRTP setting. The assessment and court findings provisions, required by federal law, are designed to ensure that a proposed QRTP placement provides a child with the most effective and appropriate level of care in the least restrictive environment, QRTP placement is consistent with the child's short and long-term goals identified in permanency planning, and that a child's needs cannot be met by the child's family or a foster home.

Title IV-E funds are the primary means of federal reimbursement for state child welfare systems. When Family First becomes operational in Wisconsin in October 2021, IV-E reimbursement for congregate care will only be provided for QRTP settings, except in limited circumstances. Absent this bill, Wisconsin will be unable to certify a program as a QRTP or access federal reimbursement for congregate care settings.

Strengthening families to raise their children is the primary goal of the Wisconsin child welfare system. When children with complex treatment needs enter group care settings, the quality standards enacted under federal law will help Wisconsin ensure those children's treatment needs are met while also making Wisconsin eligible for critical federal reimbursement.

Thank you for your support of this legislation to allow DCF to comply with federal law and obtain federal reimbursement for congregate care settings. We would be pleased to respond to any questions.



**Questions asked during the court process when a child may be placed in a QRTP:**

- Will the proposed placement provide the child with the most effective and appropriate level of care in the least restrictive environment?
- Is the placement consistent with the short-term and long-term goals for the child?
- Why can't the child's needs be met by the child's family or in a foster home?
- What does the family permanency team recommend?

# Qualified Residential Treatment Programs (QRTPs)

A Shift in Wisconsin's Child Welfare System Under the Federal Family First Prevention Services Act (FFPSA) and [AB 143/SB 161](#)



**QRTP markers of quality care according to FFPSA:**

- Uses a trauma-informed treatment model;
- Has access to 24-hour nursing care and critical individualized medical and psychological treatment and support for children;
- Engages the family throughout the treatment; and
- Provides aftercare services to children and families once they leave the QRTP.



Wisconsin Department of Children and Families



TO: The Honorable Members of the Assembly Committee on Children and Families  
FROM: Emily Coddington, Associate Director  
DATE: March 24, 2021  
RE: Support for AB 143 – Certification of Qualified Residential Treatment Programs

Thank you for the opportunity to provide testimony in support of Assembly Bill 143, which will permit the Department of Children and Families (DCF) to certify a congregate care setting, such as a shelter care facility, group home, or residential care center for children and youth (RCCs), as a Qualified Residential Treatment Program (QRTP).

WAFCA is a statewide association that represents over forty child and family serving agencies, and advocates for the more than 200,000 individuals and families they serve each year. Our members' services include foster care programs; shelters, group homes, and residential care centers; crisis intervention; outpatient mental health therapy; and individual, family and group counseling, among others. As partners in the state's continuum of care, WAFCA members are committed to providing quality, effective treatment services, helping all individuals achieve their full potential.

We appreciate the Committee's interest in the Family First Prevention Services Act (herein, Family First) and what it will mean for some of the most vulnerable children and families in Wisconsin. Our state has struggled to provide a comprehensive service array that prevents children and families from progressing further into the system than necessary. In addition, our continuum of care to serve children and families through the child welfare system (child protection services and youth justice), including those placed in out-of-home care, has been insufficient to address the complex needs of these families. The issue has become more apparent in recent years as the number of children placed out of state for residential care and treatment has trended upwards, exceeding 60 children in 2019.<sup>1</sup>

Family First provides resources to ensure better prevention services are available within our state and also presents us with an opportunity to strengthen our continuum of care by creating a therapeutic setting that will allow us to better serve our young people in need of more intensive treatment. We believe that enabling DCF to certify a QRTP within congregate care settings will provide a more robust continuum for Wisconsin youth needing placement, including those currently placed out of state. In addition, the creation of QRTPs will provide a way for Wisconsin to continue claiming Title IV-E federal match on some of the costs associated with out-of-home care placement.

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<sup>1</sup> Retrieved from: <https://dcf.wisconsin.gov/files/cwportal/reports/pdf/ohc.pdf>, (Pg. 3.16, Figure 21)

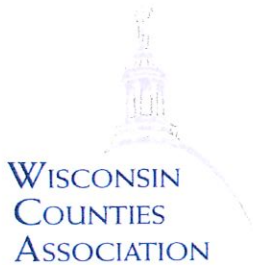


In our support of AB 143, we have some considerations for the Committee. First, we would like to emphasize the importance of keeping this bill in its current form and passing it quickly. Family First is supposed to go “live” in Wisconsin this October which leaves limited time for providers to adjust their programs to meet new support and service standards. While many providers have taken initial steps to modify their programs in light of federal requirements, any further delay in this legislation and subsequent rule making could place Wisconsin in jeopardy of forgoing federal matching on some congregate care placements.

Secondly, growing our service array, which includes having various out-of-home care placement resources for the children who are determined to need them, is incredibly important to keeping children close to home when they are in need of out-of-home placement. In the continuum Wisconsin needs to ensure each child receives the right service at the right time, a QRTP becomes part of the solution. Other types of non-QRTP placement resources will continue to be needed, especially during the transition, to ensure more children do not end up being placed out of state. While not all group care settings need to be certified QRTP in order for federal reimbursement to occur, Wisconsin does need QRTP capacity.

Capacity has declined throughout the years and we cannot afford to have it decline further. Currently, DCF licenses 19 RCCs and 63 group homes who accept placement of children in need of protection and services. According to information obtained through the DCF Rate Regulation Advisory Committee, in 2019, the average number of children and youth served in these RCCs on a daily basis was 440; for group homes the average was 240. WAFCA anticipates that all of Wisconsin’s RCCs that serve children in the child welfare system will seek to certify as QRTPs, and that some, but not all, of Wisconsin’s group homes will seek to certify as QRTPs. While the number of children placed in both congregate care settings has steadily declined over the past decade, there is still a need for these settings to continue serving children, as well as additional resources to serve those with complex care needs.

Being planful and inclusive when establishing this type of service will be key to successful implementation, as the creation of QRTPs has implications for children, families, counties, tribes, providers and the community at-large. Passing this bill will enable us to get to work. We are optimistic about the future of Wisconsin’s child welfare system and our ability to work collaboratively with all stakeholders to develop a better continuum of care, and thank you for your support and consideration.



## MEMORANDUM

**TO:** Honorable Members of the Assembly Committee on Children and Families

**FROM:** Sarah Diedrick-Kasdorf, Deputy Director of Government Affairs

**DATE:** March 24, 2021

**SUBJECT:** Support for Assembly Bill 143

The Wisconsin Counties Association (WCA) supports Assembly Bill 143, relating to qualified residential treatment programs and granting rule-making authority.

In February 2018, the federal government passed the Family First Prevention Services Act (FFPSA). The FFPSA modifies how states claim federal Title IV-E funding. More specifically, the FFPSA alters the types of congregate care settings that are eligible for Title IV-E reimbursement to Qualified Residential Treatment Programs (QRTP). However, Wisconsin law does not currently recognize QRTPs as a placement alternative or have defined placement options that meet QRTP criteria.

In addition, states may only claim Title IV-E reimbursement for a child in a QRTP if certain items are included in that child's permanency plan. Assembly Bill 143 adds to Wisconsin's permanency plan statute the additional requirements that must be met under FFPSA.

If Wisconsin is not in compliance with the FFPSA by September 29, 2021, a significant amount of federal funding is at stake. Counties receive federal IV-E funds as part of their Children and Family Aids allocation. Those funds are used to provide critical child welfare services, including child abuse and neglect investigations, out-of-home placement costs, reunification services, etc. During the 2019-21 state budget process counties successfully made the case for increased child welfare funding. Failure to reach timely compliance with the FFPSA requirements will take us a step backwards.

A similar bill passed the Assembly last session and was scheduled for Senate floor action when the COVID-19 pandemic hit. WCA respectfully requests your support for, and swift action on, Assembly Bill 143.

Assembly Bill 143  
Page 2  
March 24, 2021

Thank you for your consideration. Please do not hesitate to contact the WCA office if you have any questions.

