



WISCONSIN LEGISLATIVE COUNCIL

CHILD WELFARE PROVIDER RATE IMPLEMENTATION

Room 411 South, State Capitol
Madison, Wisconsin

November 17, 2009
10:00 a.m. – 3:00 p.m.

[The following is a summary of the November 17, 2009 meeting of the Special Committee on Child Welfare Provider Rate Implementation. The file copy of this summary has appended to it a copy of each document prepared for or submitted to the committee during the meeting. A digital recording of the meeting is available on our Web site at <http://www.legis.state.wi.us/lc>.]

Call to Order and Roll Call

Chair Grigsby called the committee to order. The roll was called and it was determined that a quorum was present.

COMMITTEE MEMBERS PRESENT: Rep. Tamara Grigsby, Chair; Rep. Steve Kestell; Sen. Alberta Darling; and Public Members John Burgess, Susan Conwell, Linda Hall, Amy Herbst, Wanda Montgomery, Bill Orth, and Sheila Reichert.

COMMITTEE MEMBERS EXCUSED: Sen. Robert Jauch; and Public Member John Tuohy.

COUNCIL STAFF PRESENT: Laura Rose, Deputy Director; and Anne Sappenfield, Senior Staff Attorney.

APPEARANCES: Jim Maro, President and CEO, St. Rose Youth and Family Center, Inc., Milwaukee; Saleem El-Amin, Director, New Horizons Center, Milwaukee; and Dondieneita Fleary-Simmons, Director, Bureau of Permanence and Out of Home Care, Department of Children and Families.

Approval of the Minutes of the Committee's October 15, 2009 Meeting

Chair Grigsby moved, seconded by Ms. Hall, to approve the summary of proceedings of the October 15, 2009 meeting. The motion carried by unanimous consent.

Presentations by Invited Speakers

[Note: PowerPoint presentations and other documents referred to by the speakers are posted on the committee's Internet site.]

Jim Maro, President and CEO, St. Rose Youth and Family Center, Inc.

Mr. Maro said that St. Rose Youth and Family Center, Inc., is a residential care center (RCC) for adolescent girls. If a girl is determined to be appropriate for placement in the RCC, an admission note is completed, generally within 14 days, which includes an intake history, what needs to be done right away for the girl, and a treatment plan that includes a trauma assessment and a suicide assessment. The child's treatment team meets weekly to review the treatment plan. St. Rose offers group counseling, individual therapy and counseling, and behavior management.

Mr. Maro said that St. Rose offers more than is required under state rules. For example, St. Rose completes diagnostic assessments through a project with the University of Wisconsin-Milwaukee and has been involved in a trauma initiative since 2008. Also, St. Rose provides opportunities for equine therapy, monthly family nights, and a resource person to assist girls with job skills and coaching. St. Rose also participates in an independent living initiative with Milwaukee Wraparound.

In order to assess outcomes of St. Rose, Mr. Maro said that he considers whether the goals and outcomes of each child are met, the child's behavior assessment at the beginning and at the end of the placement, and surveys of clients and their families.

In response to questions from Chair Grigsby, Mr. Maro said that St. Rose receives grant money and money through fundraising in order to keep its rates down and provide additional programs that he believes are successful, such as equine therapy and aftercare.

In response to a question from Representative Kestell, Mr. Maro said that his agency's rate is based on what the agency plans to provide, but that he believes the agency usually provides more. He said that he thinks rates need to be based on quality of performance, outcomes, and the services provided.

In response to questions from Ms. Montgomery, Mr. Maro said that the average length of stay at St. Rose is approximately three months and that approximately 90% of the girls are returned to foster care. He said that the girls rarely return to St. Rose.

Mr. Orth asked Mr. Maro if he thinks a standardized set of outcomes could be developed. Mr. Maro said that some counties that place children at St. Rose have established outcomes and that they are workable. He said that development of outcomes should include providers.

Ms. Herbst asked if there are services Mr. Maro would like to provide at St. Rose but cannot. Mr. Maro said that he is worried about losing the equine program. He said he would really like to create a parenting program that would provide information to parents and foster parents from the diagnostic assessment several weeks before the child leaves St. Rose and after discharge, to enable the family to work on successful strategies with the child for better follow through and family relationships.

Chair Grigsby asked how a standard reimbursement rate affects organizations that are new or do not have the ability to raise private funds. Mr. Maro said that is a difficult question. He said that, for RCCs, the state should base expectations on whether the agency is providing treatment or stabilization services. He said that, whether an organization is big or little, it should be providing a quality service.

Saleem El-Amin, Director, New Horizons Center

Mr. El-Amin said that the key to a successful group home is to provide the proper environment. He said that New Horizons offers a home-like environment that provides protection, safety, and nurturing.

He said that New Horizons measures its outcomes through increased contact with birth families, no police contact, elimination of school suspensions, children taking care of themselves, children having meaningful employment, a decrease in outbursts, and developing better peer relationships. He said that it can take years for outcomes to be met.

In response to a question from Chair Grigsby, Mr. El-Amin said that he thinks rate setting is a good idea, but that the rate should be based upon a base rate for providing the minimum amount of services. He also said that the rate must be age appropriate. He noted that a 16-, 17-, or 18-year old is more expensive because of clothing needs, the costs of preparing for independence, and their activities. He said that he thinks the rate should consider the longevity of the facility. He also said that he believes that a person who holds a group home license should have experience in operating a group home.

Ms. Hall asked about challenges for newer organizations. Mr. El-Amin said that Milwaukee County is saturated with group home beds. He said that some group homes are having a challenge with capacity because they are often operating at 20 to 30% capacity. He said that the practice in the Bureau of Milwaukee Child Welfare (BMCW) of placing one to two children in each group home defeats the purpose of socialization.

Mr. El-Amin said that, if the rate is set too low, it will be a challenge to keep qualified and committed employees. He said that children in group homes today have much greater needs than children placed in group homes 10 to 15 years ago, and that group homes need more specialized staff to serve these children.

In response to a question from Mr. Orth, Mr. El-Amin said that it is a challenge to measure outcomes in group homes because the children are on a fast track to be placed in foster care. He said that there used to be a system under which children had to meet goals and objectives based on team assessments to graduate from the program. He said that group homes are now holding tanks for treatment foster care.

Dondieneita Fleary-Simmons, Director, Bureau of Permanence and Out of Home Care, Department of Children and Families (DCF)

Ms. Fleary-Simmons said that there are two types of rate-setting methodologies. The aggregated model looks at each provider's practice and categorizes each provider based on the practice. This model gives each category a base rate and builds off of that rate. The second model is to set standard rates.

She said that in Wisconsin, there is variation in rates charged and services offered. She said that she does not yet have good knowledge of the variations and why there are variations. She said that the state ought to be able to match what the provider is charging with what services the provider offers.

She said that DCF's Out-of-Home Care Committee is considering the Child and Adolescent Needs and Strengths assessment tool to match children to placements and to track outcomes.

Discussion of Committee Assignment

Chair Grigsby asked the committee for thoughts on elements a rate setting system should include. Ms. Hall said that DCF has cited three reasons for creating a rate setting system: need for budget savings, a wide range of rates, and quality. She said that she believes the concerns about savings are recession driven. She said that rate increases have been modest, especially when taking into account the increasingly serious needs of the children in care. She also said that, for the most part, rate increases have been below inflation and below the rate at which employee health insurance costs have increased. She used Lutheran Social Services' Family Partnership Initiative as an example of a cost-effective program that focuses on entry, effective services, and appropriate and planful exits.

She said that she is not troubled by the range of rates and thinks that it represents a strength of Wisconsin's system because providers are able to create good services.

Regarding quality, Ms. Hall said that there is always room to improve. She said that she believes the state should first look to the measures that are available to insure quality. For example, she said that licensing staff could be used more effectively to provide assistance to providers on quality. She also noted that the current quality service review encourages best practice and should be extended to private providers. Finally, she said that national accreditation should be encouraged because national standards are often higher than state standards.

Ms. Hall said that any new system needs to be flexible to allow current changes in practice to carry through, including child- and family-driven services, trauma-informed care, and other reforms such as the mental health redesign and the possibility of child welfare regionalization. She said that the system should clearly define goals; clearly define the roles of the state, the counties, and the providers in meeting the goals; provide adequate rates and reimbursement of start-up costs; and include a strategy to reinvest savings to fund prevention and early intervention services for children and families.

Representative Kestell said that the rate-setting changes should not have been included in the biennial budget act and that the committee should start from scratch.

Mr. Orth said that rate setting makes some sense and noted that there is great variation in RCC rates. He said that the legislation presents an opportunity to move forward in tying rates to outcomes and quality. He said that he sees some general principles that should be followed. He said that there should be an organized, consistent assessment of each child's needs and a standard set of performance

measures. He said that there should be an historical accounting of providers' costs and that he would support limitations on administrative costs and profit. He also said that any system should account for start-up costs of new agencies and provide technical assistance to those agencies.

Senator Darling said that DCF is under a lot of pressure to get costs under control and noted that there are high costs when children do not have a stable placement. She said that she is opposed to a one-size-fits-all approach, but sees the current legislation as an opportunity to change outcomes. She said that any system should focus on permanency and that children should be assessed so that they are placed into the best placement for them.

Chair Grigsby said that one of the problems with the current system is that the provider tells the county or BMCW what the costs are, and there is not consistency in outcomes. She also asked where one begins in setting standards when there are stories of providers running out of food while some providers have very high standards for what they plan to achieve.

Ms. Hall said that some standards are in administrative rules and that DCF needs to use those standards to ensure quality. She also said the committee could consider the Foster Family-Based Treatment Association standards and the potential for agencies to be accredited.

Mr. Burgess said that Wisconsin does not require national accreditation and that there is no incentive to become accredited. He also said that excess capacity is costly.

Ms. Herbst suggested that the committee focus its efforts on group homes and maybe even group homes in Milwaukee County. She said that, as a purchaser, she sees a vast array of rates without quality indicators and excess capacity. She said she is not recommending RCCs because their services vary and their licensing standards are much more prescriptive. She said she is also not recommending treatment foster homes because the per child cost is low and there is a shortage of foster homes.

Description of Material Distributed

Memo No. 3, *Child Welfare Provider Rates in Selected States* (November 12, 2009)

Ms. Sappenfield and Ms. Rose described Memo No. 3 and discussed rate-setting methods in several Midwestern states.

Plans for Future Meetings

Chair Grigsby stated that the committee's next meeting has been scheduled for ***Thursday, December 17, 2009.***

Adjournment

The meeting was adjourned at 3:00 p.m.

AS:ksm