

Nebraska Children's Commission – Foster Care Reimbursement Rate Committee

Second Meeting
November 15, 2013
1:00PM-4:00PM
Airport Country Inn and Suites, Platte Room
1301 West Bond Circle, Lincoln, NE 68521

Call to Order

Peg Harriott called the meeting to order at 1:00pm and noted that the Open Meetings Act information was posted in the room as required by state law.

Roll Call

Subcommittee Members present: Peg Harriott, Jena Davenport, Corrie Edwards, Leigh Esau (2:34pm), Shannon-Jo Hamilton, Susan Henrie, Jackie Meyer, David Newell, Barb Nissen (2:05pm), Katie McLeese Stephenson, Ryan Suhr, and Lana Temple-Plotz.

Ex-Officio Members present: Michele Anderson, Lindy Bryceson, Sara Goscha, Karen Knapp, and Richard Pope.

Subcommittee Member(s) absent: Bobby Loud, Sherry Moore, Alana Pearson, and Bev Stutzman.

Ex-Officio Members absent: Thomas Pristow and Debbie Silverman.

Also attending: Bethany Connor and Leesa Sorensen.

Approval of Agenda

A motion was made by David Newell to approve the agenda with one revision to add the approval of the October 18, 2013 minutes after the approval of the agenda. The motion was seconded by Katie McLeese Stephenson. Voting yes: Peg Harriott, Jena Davenport, Corrie Edwards, Shannon-Jo Hamilton, Susan Henrie, Jackie Meyer, David Newell, Katie McLeese Stephenson, Ryan Suhr, and Lana Temple-Plotz. Voting no: none. Leigh Esau, Bobby Loud, Sherry Moore, Barb Nissen, Alana Pearson, and Bev Stutzman were absent. Motion carried.

Approval of October 18, 2013 Minutes

A motion was made by Jackie Meyer to approve the October 18, 2013 minutes as written. The motion was seconded by Corrie Edwards. Voting yes: Peg Harriott, Jena Davenport, Corrie

Edwards, Shannon-Jo Hamilton, Susan Henrie, Jackie Meyer, Katie McLeese Stephenson, Ryan Suhr, and Lana Temple-Plotz. Voting no: none. David Newell abstained. Leigh Esau, Bobby Loud, Sherry Moore, Barb Nissen, Alana Pearson, and Bev Stutzman were absent. Motion carried.

Chair’s Report

Peg Harriott welcomed committee members and started the meeting discussion by building consensus on the use of terminology during the foster care reimbursement rate meeting. Peg just reminded members to be sure that everyone is using terminology consistently when having discussions as sometimes concerns are raised, but it is because terminology is being used differently. The committee had a brief discussion of terminology and created the following charts for reference purposes:

Today	Foster Care Rate Structure	Tomorrow
\$32.00 \$50.00 \$69.00	<ul style="list-style-type: none"> • Foster Parent Base Pay • Pay for Level of Care • Other Foster Agency Support Functions/Services 	<u>USDA Rate</u> \$20.00 \$23.00 \$25.00 Plus: Level of Care Categories and payment for Agency support/services

<u>Federal</u>
<ul style="list-style-type: none"> • Maintenance – Foster Parent Payment • Allowable Administrative (e.g. Training) • Non-Allowable Administrative

The committee also had a brief discussion on the committee’s responsibility to recommend the level of care (LOC) categories related to the draft LOC assessment.

Peg also reviewed the information that was handed out at the first meeting related to the work of the previous Foster Care Reimbursement Rate committee that was created under LB820. All members of the committee were provided with copies of the Level of Care Assessment Subcommittees Final Report and the LB820 Final Legislative Report regarding Foster Care Reimbursement Rates and Level of Care Assessment Tools that were each submitted to the

Legislature in 2012. Committee members were reminded to review that information if they had not already done so.

DHHS Update and Level of Care Assessment

Sara Goscha reported that agency providers have been working together on foster care pay going forward until the new rates are implemented. She reported that there was consensus that there would be two payments per child – one for maintenance payments and one for supportive payments. Sara indicated that DHHS is working on contract language that she can bring in writing to the next meeting.

Sara noted that Jodie Allen has been helping with the Level of Care Pilot Project assessments. Sara noted that many of the foster homes were being assessed at a Level 1 based on the pilot project. Sara gave some preliminary information on the LOC assessments that have been done to date. Sara indicated that a written report was available, but that she had forgotten to bring the report to the meeting. Sara indicated that she would bring a DHHS written report to the December 9 meeting with information on the outcome of the pilot project. A comment was made that assessments were to be completed with the foster parents and not just completed by a DHHS worker. DHHS staff indicated that they were not sure that all DHHS workers were completing the assessments with foster parents and agencies. Lindy Bryceson suggested that DHHS would go back and make sure that to the extent possible there was consistency in the way the assessments were being filled out and that foster parents were involved in the process. It was suggested that a survey of the parents involved in the cases may be helpful to determine how many foster parents were consulted regarding the completion of the LOC assessments.

A question was raised regarding the availability of information on the comparison between the current FC Pay Rate and the new rates that may exist under the LOC assessment structure. DHHS indicated that it is not an easily cross-walked process. Although the comparison of rates cannot be easily done, it was noted that foster parents will need to be prepared for the fact that foster care rates will decrease as a child's needs change under the new LOC assessment process. It was noted that there needs to be educational materials provided at the front end regarding this culture change and helping people understand that the rates will be different. DHHS noted that under the current system behaviors are sometimes added to enhance the current rate. The new system should eliminate this practice.

A suggestion was made that a survey for foster parents and DHHS workers might be helpful to help enhance the process of completing LOC assessments.

The committee also had a discussion on the need to be careful when moving to the LOC assessment payment process to implement with a hold harmless time. Comments were made that more research needs to be done on how other states implemented the tool and how they assessed the Level 2 and Level 3 needs. There was also some discussion on the need to be careful in the implementation phase so that foster families are not negatively impacted by a reduction in pay which could result in an even greater loss of available foster homes. Comments were made about the importance of the perception of parents that the new process is not further eroding the amounts families receive to support foster children.

A suggestion was made that the Level of Care Assessment workgroup was not completely finished with their work and that additional meeting time was needed to address implementation issues that could not be handled in the short time allowed for the original committees work. Specific areas identified included scoring of the assessment, weighting of the areas and actual dollar amounts. Lana Temple-Plotz was asked to lead a workgroup to finish the original LOC work. Jodi Allen, Michele Anderson, Jena Davenport, Susan Henrie, Karen Knapp, Jackie Meyer, Katie McLeese Stephenson, Barb Nissen, and Ryan Suhr volunteered to participate on the subcommittee.

It was suggested that the committee consider recommending an incremental approach to implementation so that no detrimental impacts are created. A suggestion was made that the first step would be to raise the base rate. It was also suggested that the committee may not have all recommendations ready at the start of the next legislative session and that it may be a good idea to recommend that a place holder bill be issued for any additional legislative changes that may be needed.

Administrative Rate Recommendation

The committee returned to the discussion that started during the Chair's Report. The committee briefly reviewed the April 10, 2013 letter to Senator Annette Dubas from the Foster Family-based Treatment Association (FFTA). It was also noted that the committee was given a copy of *Family Foster Care Reimbursement Rates in the U.S.* that would be discussed at the next meeting.

Review of Assignments/Action Plan

The next steps the committee needs to take were reviewed:

- Finalize the Level of Care assessment work through the work group process;
- Need to create reasonable rates for Level 1 to Level 3+ - Level of Care Assessments ;
- Need standard definitions of terminology;
- Need a determination of what the state wants to purchase in regard to foster care support functions from agencies;
- Need a reasonable way to handle mileage issues that address both urban and rural needs;
- Need to stabilize the foster care system; and
 - Establish homes that can take high needs children
 - Reduce the amount of time to find placements
- Need to finalize work on the Administrative Rate issue
 - DHHS to provide definitions from Feds of allowable and non allowable

Public Comment

There were no public attendees that wished to make comments.

New Business

None.

Next Meeting Date

The next meeting is scheduled for December 9, 2013 from 1:00p.m. to 4:00p.m. The committee will also review 2014 meeting dates at the next meeting.

Adjourn

A motion was made by Ryan Suhr to adjourn the meeting, seconded by Katie McLeese Stephenson. The meeting adjourned at 3:50p.m.

DRAFT

**Level of Care Workgroup
Meeting Minutes
December 3, 2013
2:30 - 5:00**

Present:

Workgroup Members: Lana Temple-Plotz (chair), Jackie Meyer, Karen Knapp, Barb Nissen, Katie McLeese Stephenson, Jenna Davenport, Michele Anderson, Susan Henrie, Jodi Allen (representing Sara Goscha)

Leesa Sorensen, Nebraska Children's Commission

Absent:

Ryan Suhr, Ronda Newman (representing Dave Newell)

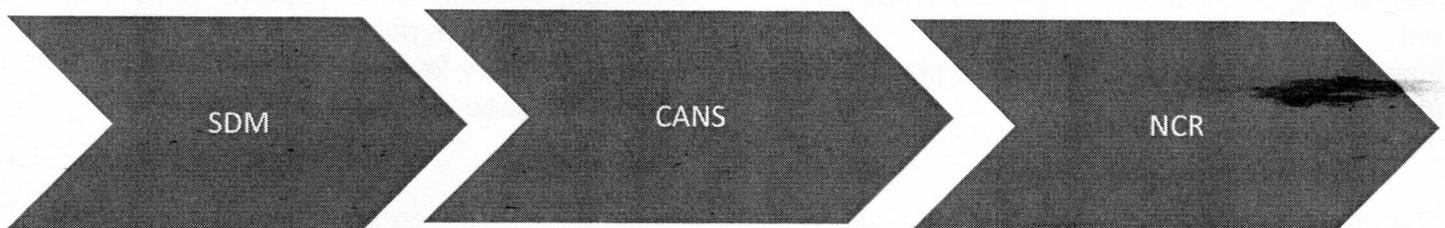
Minutes:

The group reviewed the goals of the workgroup including:

1. Finalize Nebraska Caregiver Responsibilities (NCR) tool
2. Determine scoring system for NCR including any "weighting" of categories/levels
3. Determine rates for each category/level

The group discussed the work of DHHS and NFC thus far and reviewed the NCR tools currently being piloted by both groups. The tools are very similar. DHHS has not yet tried to score the NCR and NFC has begun implementing a scoring system which includes weighting three categories (Medical/physical/health & wellbeing, supervision/structure/behavioral & emotional, and support/nurturance/wellbeing). The workgroup does not yet have data from DHHS or NFC on how the NCR compares to their current tool (DHHS utilizes the FC Pay Checklist and NFC utilizes a tool they developed called the Foster Care Rate Evaluation).

The group discussed the work yet to be done (by the Rate Committee) beyond finalizing the NCR, determining scoring and rates. This includes integrating Structured Decision Making (SDM) with the Child and Adolescent Strengths and Needs (CANS) and using the information from the CANS to inform the responsibilities of the foster parent as outlined in the NCR.



The group discussed the recommendation of the prior LOC subcommittee to integrate a "pre-assessment" period which is the time from the date of initial placement to the completion of the NCR. In cases where children and youth are entering care for the first time, this time is important because the child is new to the system and therefore their needs and the responsibilities required of the foster parent will be unknown until such time as the NCR can be completed.

The group agreed that a 30 day "pre-assessment" time frame would be adequate and discussed how foster parents would be paid during that first 30 days. Options discussed included paying the minimum or base rate, paying a "flat rate", or paying the base plus a %. Pros and Cons for each option were reviewed:

Base Rate as Pre-Assessment Rate -

Pros

More cost effective for HHS/NFC
Eliminate 'pay cut' for minimum kids
Less rates overall to manage
No surprises

Cons

High needs child: FP is not compensated during **that 30 days**
Some FP's may say no or not want any kids until they've been assessed
Disruption
First 30 days is a high cost time

Flat Rate as Pre-Assessment Rate (~\$30) -

Pros

ESA families will be used to this as NFC has a flat pre-assessment rate
Logistically this may be easier
Pay could increase from this rate if child is more difficult
Incentivize the unknown - paying a FP a bit more at the beginning for the unknown

Cons

Costs are different based on age
Pay could decrease
How might this compare to the current emergency foster care rate?

Base Rate plus a % of base (~25%) -

Pros

May be a good incentive to "try" a teen but may not
May be a good incentive for hard to place youth but may not

Cons

Logistically difficult - adding several more rates
Compared to what's paid for EFC it would be a decrease at every level
Will families keep kids once rate goes down?

The group discussed the current levels used by both DHHS and NFC and agreed that maintaining three levels was appropriate as it fits with the NCR tool. The group discussed renaming the levels to reflect parenting responsibilities of the foster parent.

1. Essential Parenting - currently defined as level/tier 1 by HHS and minimum by NFC
2. Enhanced Parenting - currently defined as level/tier 2 by HHS and moderate by NFC
3. Intensive Parenting - currently defined as level/tier 3 by HHS and intensive by NFC

The group discussed the current tasks of the workgroup and the timeline needed to complete these tasks. Given the work yet to be done, the work group proposes the following timeline:

Task	Detail	Time Needed
Rate determination	finalize tool, scoring, pay to foster parents and agencies	60 days
Information sharing	Provide the above information to the larger committee, DHHS and CPA's for review and input	45 days
Refine Tool	Tweak and refine the tool based on feedback	30 days
Rollout the new tool and process to foster parents, DHHS, CPA's, NFC	develop the training for the tool, CANS, and SDM and how they all connect, conduct the training sessions to all stakeholders, training of trainers, etc	120 days
		Total Estimate: 8 1/2 months

Consensus was Reached on the Following:

1. 30 day Pre-Assessment Period *maximum*
 - a. exceptions include children/youth currently in care and infants coming from the hospital - both should be assessed prior to placement in the foster home
2. Pre-Assessment rate should be higher than the base rate for this time period
3. Pre-Assessment should take the place of Emergency Foster Care
4. Complete SDM and the CANS prior to or during that first 30 days and use the information to inform the NCR.
5. Maintain the 3 levels we currently have but rename to reflect parenting responsibilities of the foster parent (essential, enhanced, and intensive).
6. Extend the timeline for development of the tool and include information sharing and rollout in the timeline
7. Communication and training for DHHS, Child Placing Agencies (CPA's), and foster parents is crucial to ensuring the rollout goes well. Continuous quality improvement measures both internal to the department and external through the rate committee are also important.

Next Meeting:

December 16, 2013 1:30 - 4:30
 Nebraska Children's Home Society
 4700 Valley Road
 Lincoln, NE

Respectfully submitted by Lana Temple-Plotz

Nebraska Caregiver Responsibilities Summary LOC Workgroup Sampling

Child's Initials: _____ Date: _____

Service Area: _____

Child Placing Agency: _____

CPA Worker/Person Completed NCR: _____

Circle the Age Range of the Child: 0-5 6-11 12-18

LEVEL OF CARE	SCORE
LOC 1: Medical/Physical Health & Well-Being	
LOC 2: Family Relationships/Cultural Identity	
LOC 3: Supervision/Structure/Behavioral & Emotional	
LOC 4: Education/Cognitive Development	
LOC 5: Socialization/Age-Appropriate Expectations	
LOC 6: Support/Nurturance/Well-Being	
LOC 7: Placement Stability	
LOC 8 Transition To Permanency and/or Independent Living	
TOTAL	

Find the total across the top and circle the score for LOC 1, 3, 7 totals in the grid

	Total Score 1-8	Total Score 9-17	Total Score 18-23	Total Score 24
Essential	3 for weighted	3 for weighted		
Enhanced		4-5 for weighted	4-5 for weighted	
Intensive		6-9 for weighted	6-9 for weighted	9 for weighted

FC Pay Information:

Current FC Pay Score: _____

Current FC Pay Level: 1 2 3

FFTA



Foster Family-based Treatment Association

April 10, 2013

Senator Annette Dubas
District 34
Room 1018, State Capitol
P.O. Box 94604
Lincoln, NE 68509

Dear Senator Dubas:

Thank you so much for your continued leadership on the issues facing the children and families in our state. Your continued advocacy for foster parents and quality programs to support them is very much appreciated.

With the introduction of LB530, you have done so much to ensure foster parent rates consistently reflect the cost of raising a child; that each child is assessed appropriately; and that foster parents receive reimbursement for the care they provide.

Earlier this year, FFTA came together with the Children and Family Coalition of Nebraska (CAFCON) and the Nebraska Association of Homes and Services for Children (NeAHSC) and published an issue brief outlining Agency Supported Foster Care. This Issue Brief outlines the service and supports provided to children, their families and foster parents by the many agencies across the state. As you know those services include:

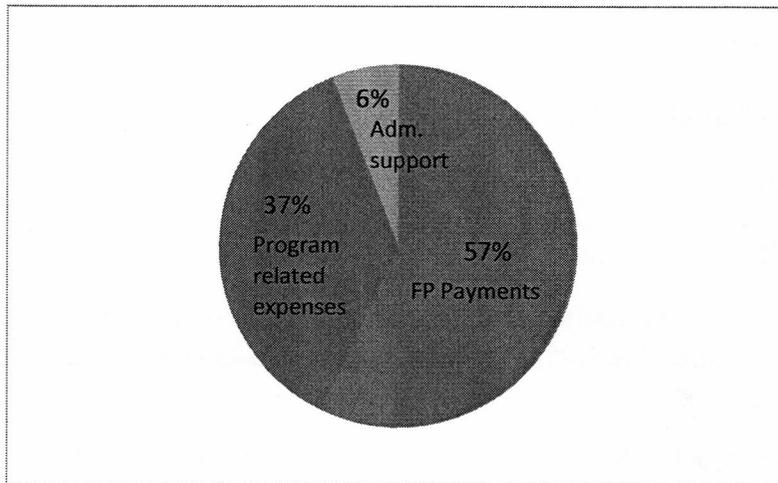
- Recruitment, Training, Support and Retention of Foster Parents
- Matching Children to Homes
- Service Planning and Case Coordination and
- Permanency

It's important to note that of the 4,045 children in out of home placement in Nebraska in December of 2012 (FC Review Office Annual Report), 70% were served by member agencies of these three associations. I have enclosed the Issue Brief for your review.

During testimony for LB530, several questions arose related to the cost to agencies to support foster parents. While there are a variety of perspectives on this issue, several FFTA member agencies including: Boys Town, Building Blocks for Community Enrichment, Child Savings Institute, Christian Heritage, KVC Behavioral HealthCare, Lutheran Family Services, Nebraska Children's Home Society, NOVA Treatment Community and South Central Behavioral Health Services came together to research this very important question.

Combined, these nine agencies provided almost a half a million care days to youth in 2012. Overall, these agencies spent more to care for youth and support our foster parents than we received from DHHS, with an average cost of \$51.00 per day and revenue of only \$47.00 per day.

Of the revenue that the above agencies received in DHHS contract payments in 2012, 57% on average was spent on Foster Parent payments, 37% on program related expenses (staff, occupancy, transportation, recruitment) and 6% on administrative support.



As you can see, the agencies who participated in this analysis spent the majority of the revenue they received (94%) from DHHS on the most important parts of this equation – foster parent payments for those who open their hearts and homes to meet the needs of the children , and program related expenses including support and recruitment. Only 6% was spent on administrative support.

It is our hope that this information will assist you and members of the legislative body as you continue to advocate for foster parents and the children they serve. Additionally, we hope it helps to dispel the misperception that agencies utilize revenue from DHHS to cover “administrative costs” while underpaying foster parents.

Thank you again for your leadership on this very important issue and please contact me with any questions or concerns.

Respectfully,

Lana Temple-Plotz, MS
Director, NE/IA Foster Family Services
Chair, NE Chapter Foster Family-based Treatment Association

December 6, 2013

Peg Harriott
Child Saving Institute
4545 Dodge Street
Omaha, NE 68131

RE: Recommendations for Foster Care Rate Committee

Dear Peg:

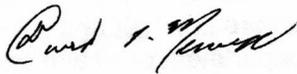
I will be unable to attend Monday's meeting of the Foster Care Rate Committee. For this reason I am submitting NFC's written recommendations to the committee in advance of Monday's meeting. Please share these recommendations with the members of the committee.

1. NFC recommends implementation of the age based minimum reimbursement rates as set forth in LB 530 (2013) effective July 1, 2014 and that these minimum reimbursement rates be funded through the DHHS budget for SFY 2014-2015. Implementation of the age based minimum reimbursement rates will increase the overall cost of providing foster care services in Nebraska. In keeping with the express intent of the Legislature in LB 530 (2013) "to ensure that contracted foster care provider agencies do not pay increased rates out of budgets determined in contracts with the Department of Health and Human Services prior to any change in rates," the increased cost must not be borne by the child placing agencies and NFC without adequate compensation from DHHS.
2. NFC's funding for SFY 2014-2015 should be increased to the extent required for NFC to compensate its sub-contracted foster care agencies based on the new age based minimum reimbursement rates.
3. Child Placing Agencies (CPAs) which expend \$500,000 or more in Federal Financial Assistance from any source may be subject to the single audit requirements of Circular A-133.
4. NFC recommends that the Levels of Care (LOC) Workgroup be allowed additional time to pilot, test, and refine the instruments and make additional recommendations to the Governor and the Legislature regarding implementation and funding for SFY2015-2016. A recommended timeline might look something like this:
 - Rate determination, including finalizing tool, scoring, and associated payments to foster parents and agencies—60 days;
 - Report back to the larger committee, DHHS, CPAs, and NFC for review and feedback—45 days;
 - Further revise tool based on feedback—30 days;
 - Roll out the new tool and process to foster parents, DHHS, NFC, CPAs, including developing training for the LOC instrument, CANS, and SDM, and conducting all necessary training sessions—120 days.

5. LB 530 (2013) expressed the intent of the Legislature "to appropriate funds to permanently replace the bridge funding. . .and provide the necessary additional funds to bring foster care reimbursement rates in compliance with the recommendations of the research and study completed by the Foster Care Reimbursement Rate Committee." NFC recommends that the existing levels of care payment structure be maintained such that no decrease in payment to foster parents and CPAs results from the implementation of the age-based minimum reimbursement rates until such time as the new payment structure, including additional reimbursement for foster parents and CPAs, is fully developed, adopted, and implemented.
6. While NFC supports and recommends implementation of the age-based minimum reimbursement rates, we do not support the establishment of maximum rates that CPAs may pay foster parents. Due to the uniqueness of each individual child and the complexity of many child welfare cases, CPAs must retain flexibility to reimburse their foster parents according to the unique needs of each child and the responsibilities required of the foster parents to meet those needs and the best interest of each child.

Thank you for considering these recommendations as the committee prepares its report and recommendations to the Nebraska Children's Commission.

Sincerely,



David Newell, CSW, ACSW
President and CEO

cc: Senator Kathy Campbell
Senator Tanya Cooke
Senator Sue Crawford
Senator Mike Gloor
Senator Sara Howard
Senator Bob Krist
Senator Dan Watermeier
Senator Health Mello
Senator Annette Dubas
Karen Authier

November 19, 2013

Karen Authier, Chairperson
Nebraska Children's Commission

Dear Karen Authier,

Legislative Bill 530 from the 2013 Legislative Session requires the Nebraska Children's Commission to provide to the department and Health and Human Services Committee of the Legislature by December 1st "a report including recommendations and any legislation necessary, including appropriations, to adopt the recommendations, regarding the adaptation or continuation of the implementation of a statewide standardized level of care assessment".

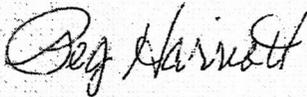
The attached report is a summation of the progress made in the first two meetings of the Foster Care Reimbursement Rate Committee. The pilot project and planning is not at a point to make any formal recommendations for legislation, appropriations or implementation of the statewide standardized level of care assessment tool or standardized base rate.

The committee is at the beginning stages of:

- analyzing the pilot results,
- identifying what additional work needs to be done with the Level of Care Assessment tool to fully operationalize the instrument, and
- identifying what the implementation implications are financially to the current foster homes and supporting agencies as well as the State of Nebraska.

Please note that it is anticipated there will need to be some legislative and appropriation action to: 1) delay the implementation (continue with the \$3.10 daily rate increase to keep foster parents at the rate they are currently being paid and not experience a reduction in rate), 2) initiate an incremental implementation, or 3) initiate full implementation of the new standardized base rate and level of care rate.

Respectfully,



Peg Harriott
Chairperson
Foster Care Reimbursement Rate Committee

Foster Care Reimbursement Rate Committee
Report to the Nebraska Children's Commission
November 19, 2013

The Foster Care Reimbursement Rate Committee had its first meeting October 18th and a second meeting November 15th.

The first meeting was spent with general committee orientation to:

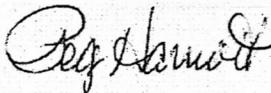
- LB 530 requirements,
- the results of the previous rate committee: Base Rate recommendation and Level of Care tool
- current status of the pilot of the Level of Care Assessment tool
- Federal IV-E claiming for foster care and the administrative rate.

The second meeting:

- Verbal report from DHHS on the pilot project status
 - Number of assessments completed
 - Results of the assessments
 - Beginning analysis of the results including documentation reviews
- The committee recommended additional analysis points for the pilot including assuring the inclusion of foster parents and agencies in the completion of the tool.
- Formulation of a workgroup to advance the Level of Care Assessment tool to include recommendations regarding weighting, scoring, and assigning dollar amounts to the levels.
- Review of FFTA study on the costs of agency supported foster care in regards to support functions/service and indirect administrative rate.
- Identification of broad intentions to guide the committee going forward.

Next full committee meeting is scheduled for December 9th.

Report completed by:



Peg Harriott
Foster Care Reimbursement Rate Committee