

Los Angeles County – Residentially-Based Services Reform Proposal

1. Why reforming the group care system in LA County is an important priority.

In 2003, the Los Angeles County Department of Children and Family Services (DCFS) adopted a diligent focus on achieving three key outcomes: improved safety, faster timelines to permanence, and reduced reliance on out-of-home care. To achieve these goals, we are working to broaden and deepen the five core service delivery strategies already in place in LA: Point of Engagement, Team Decision-Making (TDM), Structured Decision-Making (SDM), Concurrent Planning, and our Permanency Partners Program (P3).

We believe that all children do best when they grow up and develop in families rather than in institutions, and, in order to achieve our three key outcomes, we have included a focus on reducing the number of children placed in group homes, especially children 12 years of age and younger. We have grave concerns, reinforced by research findings, about the efficacy of long term mental health treatment provided in group or institutional settings, the detrimental effects of living in group settings for youth with behavioral problems, and the prospects for self-sufficiency for those who have aged out of the child welfare system from group homes. In LA we have dramatically decreased the number of DCFS children and youth in RCL 6-14 group home placements by 44% since April 2003, from 2,184 to 1,228. To achieve this reduction, we have focused on maintaining children safely at home with their families with services, and when out-of-home care is necessary, we have renewed our concentration on the least restrictive, most appropriate placement settings. We have developed alternatives for children in or at risk of placement into RCL 12 or 14 facilities by increasing our Wraparound Services slots to 1,217 and by developing contracts for over 130 Intensive Treatment Foster Care (ITFC) and Multi-Dimensional Treatment Foster Care (MTFC) beds.

Through our participation in the 2003 Katie A. Settlement Agreement, we have pursued systemic improvements to meet the mental health needs of children and families involved in the child welfare system. Our Department of Mental Health (DMH) has established new intensive home-based services programs using resources such as the Mental Health Services Act funding as well as Medi-Cal EPSDT. Continuing to reduce the number of DCFS children living in group homes is a goal of the Katie A. Settlement and we have already demonstrated an impressive track record of reduction. Ensuring that DCFS children and their families receive the most appropriate and effective treatment services in the least restrictive settings is a critical priority for both DCFS and DMH, and so we have chosen to propose the development of a joint pilot to integrate behavioral health and child welfare services for RCL 12 and 14 residential placements.

The flexible funding capped allocation under our Title IV-E Waiver Demonstration Project (the Waiver) allows us to scale up strategies already in place, and add new strategies, to help families build on their strengths to meet children's needs at home in their communities. We must ensure that children in the highest level residential foster care placements have every chance of reunifying with their families and returning to their communities with a comprehensive and durable long term plan for permanence which anticipates their and their families' ongoing needs for services.

2. The nature and extent to which leaders of public and private agencies in LA County are actively supporting or guiding the efforts to transform the group care system.

For several years, LA County and its stakeholders have worked in partnership as members of the Residentially-Based Services (RBS) Work Group to identify best practices in residential care and explore the transformation of residentially-based services. This Work Group was established in April 2005 in response to the decreased utilization of group home facilities by DCFS and the need for a coordinated planning effort to develop a clear understanding of the future role of group home placements for DCFS children and of the projected need for future capacity. DCFS has led this monthly effort, and participants have included DMH, Probation, stakeholders and providers from 20 different agencies over the last three years (see attached list of participants). Some members of the LA RBS Work Group, including County staff and providers, participated in the California RBS Reform Coalition. The core private agency participants include a dozen group home providers, the Association of Community Human Service Agencies (ACHSA) and the California Alliance of Child and Family Services.

In November of 2007, the Work Group formed a subcommittee, the RBS Collaborative (RBSC), for RCL 12 and 14 group home providers and stakeholders to design a demonstration project proposal. The RBS Collaborative has worked as a design team to develop alternative program models and alternative financing models, to be tested under the authority of AB 1453. Six private providers have been participating regularly in the design meetings, along with ACHSA, the California Alliance, DCFS, DMH and our Probation Department (see attached letter of support for list).

The Work Group will continue to meet regularly, returning to a monthly schedule as planning meetings around the design of this proposed demonstration project come to a close. The Collaborative will continue to meet to provide input into our RBS Reform demonstration project plan, to be completed by June 28, 2007. Thereafter we will determine if it makes sense to continue regular Collaborative meetings, or fold ongoing effort back into the monthly Work Group.

3. The nature and extent to which family, youth and community stakeholders in LA County are actively supporting or guiding efforts to transform the group care system.

Parents, former foster youth, and community stakeholders have played key informational and participatory roles over the last three years of the RBS Work Group. JoeAnne Hust, a parent partner who works for Hathaway-Sycamores, has been a consistent voice for parents' views, and a strong advocate for embedding the Wraparound Services role for paid parent partners in RBS reform along with the principles of parent voice and choice. In December 2005, when the Work Group organized a RBS Reform symposium for approximately 200 participants in LA, Ms. Hust was the organizer of a key panel of parents who spoke of their concerns about the experiences their children have in group homes. Staff from California Youth Connection, and former foster youth Berisha Black and Onitsha Newsome from the DCFS Youth Development Services Ombudsman's Office, have also been regular participants since 2005. Together, they organized several "Speak Outs!" for youth in out-of-home care in LA in 2005 and 2006, and many of the youth participants resided in group homes. Based on feedback from the Speak Outs!, CYC prepared a LA-focused white paper on the experiences of youth in group homes and their recommendations for changes to the RBS system and presented it to the RBS Work Group in the summer of 2006. Ms. Hust and Ms. Newsome also participate in the Collaborative meetings. LA's Commission for Children and Families has also participated in the RBS Work Group over the past several years, most frequently represented by Helen Kleinberg, who was Chair of the Commission in 2007. The Commission is composed of volunteer community members appointed by the Board of Supervisors. They are a diverse

group of child and family advocates who represent their respective communities in each of the County's five supervisory districts.

4. Measurable child and family outcomes we are seeking to improve with this reform.

DCFS's three key outcomes are improved safety, faster timelines to permanence, and reduced reliance on out-of-home care. For the RBS reform demonstration project, we will focus on reducing the length of stay for youth in RCL 12 and/or 14 residential placements as a way to achieve stability in home-based settings and permanence through safe reunification back into families and communities. We will also measure subsequent placements into residential care, to be distinguished from respite care, following reunification for youth exiting RCL 12 and/or 14 placements, with a goal of reducing recidivism. We will measure the reduction in length of stay in RCL 12 and/or 14 residential placements against baseline data for those levels for the period preceding the proposed RBS demonstration project. For example, we have done preliminary analysis of the length of stay of children who exited RCL 12 placements in 2006-2007. After controlling for very short term stays and programs with very few LA children, for those who exited the average stay at the last RCL 12 placement was 18 months; the average length of time those children spent in all levels of group home care was 22 months, and their average continuous spell in out-of-home care was 62 months. We also plan to measure well being in our demonstration project through client satisfaction surveys for youth and families, and to track indicators of youth well being including emotional and physical well being, and educational progress.

5. Brief description of the programmatic and fiscal changes in the group care system we are considering, with an emphasis on changes that reflect elements of the framework outlined in AB 1453.

We are committed to developing a system that achieves better outcomes for children, youth and their families, by utilizing residential care as a short-term therapeutic intervention designed to achieve specific results, including the accelerated return of youth to their families or other permanent homes. We are committed to changing the way care is provided in residential settings as well as providing ongoing support for children, youth and families in their communities and establishing an effective and integrated continuum of care. To accomplish this, Los Angeles strongly supported the passage of AB 1453 and is submitting this letter of intent.

Target Population

LA County's RBS reform efforts will first target *DCFS youth placed in RCL 12 and/or 14 group homes*. Limiting the initial target population to DCFS youth is an acknowledgment that Probation youth and those placed by DMH through AB 3632 into group homes are part of two systems governed through processes controlled in large part, respectively, by the courts or parents. We will limit the initial target population to RCL 12 and 14 youth because 65% of current DCFS group care placements in LA County are in these placements, and the number of DCFS children in lower RCL group homes has been steadily decreasing.

Initially, we hope to contract with a small number of provider partners with a minimum commitment of beds per program. If four providers commit to 18 beds each, we project that the number of children enrolled in the demonstration project could range from 72 to 288 by the end of the first year, with a more realistic estimate of 144 first-year enrollees. Based on a first-year enrollment estimate of 144, growing to

288 by the end of year two, the number of children who could be impacted by the proposed RBS demonstration project represents approximately:

- 18% of DCFS youth currently placed in RCL 12 or 14 group homes in year one
- 36% of DCFS youth currently placed in RCL 12 or 14 group homes in year two
- 12% of all DCFS youth currently placed in group homes in year one
- 23% of all DCFS youth currently placed in group homes in year two

Philosophical Change

The general philosophy underlying the proposed reform system in LA is to embed the Wraparound Services principles of team decision-making, family voice and choice, and a “whatever it takes” approach within residential placement settings and to create incentives to return children as quickly as possible to family settings after a residential stay becomes necessary, providing community-based care including intensive home-based services. It is key that the transition from residential care to community-based care happens quickly and is experienced as seamless by the youth and their family. Within this philosophy, residential care becomes: 1) a short-term, intensive treatment focused on diagnostic and crisis stabilization work rather than a destination for a child; and 2) one of many treatment options within a plan of care, rather than the plan of care itself¹. This is consistent with the strengths-based approach of Wraparound.

Organizational Change

Public Agencies. The proposed system will essentially create a behavioral health management system for youth needing placement in a RCL 12 and/or 14 facility in LA County. The system will feature a significant transformation in the way DCFS and DMH work together to address the mental health needs of children and youth in group care. This will be funded by braiding child welfare funding with EPSDT funds within each service component at the provider level and by creating a jointly staffed administrative unit to oversee and ensure seamless service delivery from the standpoint of the family, especially when a family transitions from one system to another. This joint unit will assume benefits coordination, care management, utilization review, and utilization management functions.

Private Agencies. Private agencies participating in this reform will have to alter their service delivery systems to move children out of residential care quickly and back into the home of a family using a Wraparound approach and evidence-supported therapeutic modalities. The treatment trajectory for any given child will be generated at every level by a “child and family team” whose core membership will remain constant and concurrently focus on family support/finding immediately upon placement. Residential care staff will be trained to work directly with the family and maintain this focus on family involvement from the beginning. Most of the time spent meeting the needs of a youth will be while the youth is back in a home setting.

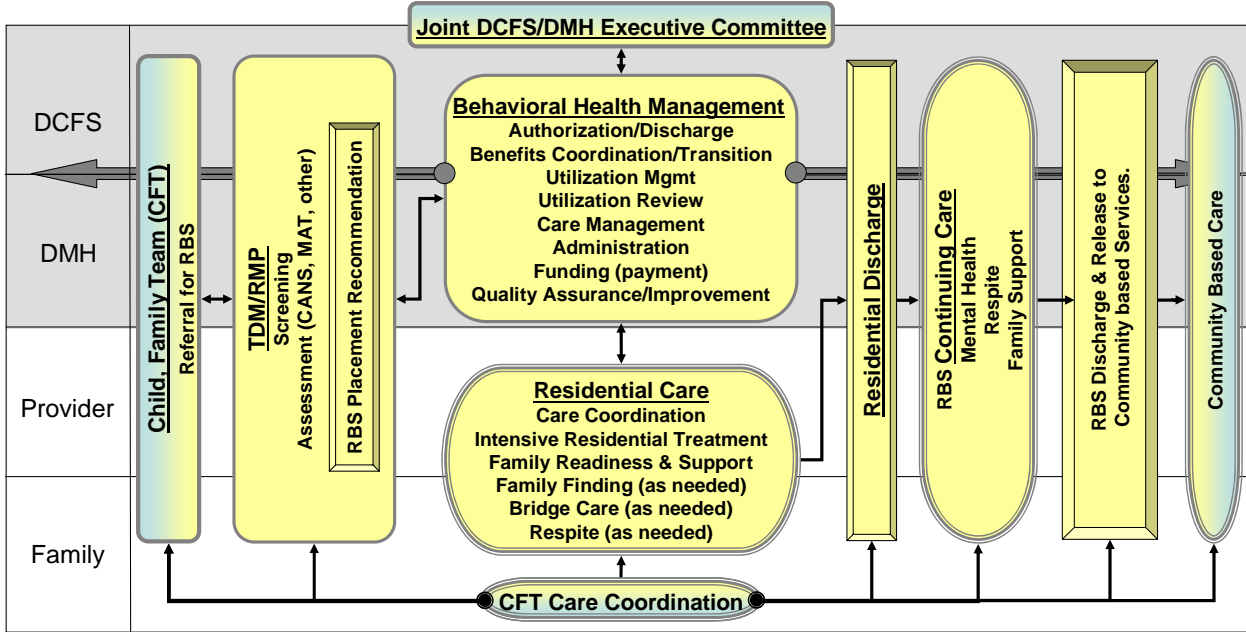
Programmatic Change

The proposed RBS system will focus on reducing the time spent in residential placement drastically through a revised care coordination system as depicted in Figure 1. We plan to centralize the authorization of placement into any RCL 12 and/or 14 residential facility in LA, using a new process of

¹ Research shows that a 3-9 month residential stay is the most effective for behavior modification and has the longest lasting effects.

resource utilization management centered around a Team Decision Making meeting. Following the diagram of the proposed RBS system is a brief description the system components.

Figure 1. Proposed RBS Collaborative Demonstration Design (RCL-12+14)



Child and Family Team (CFT). A CFT will be created for each child identified as needing residential treatment and will be the centerpiece of the group care episode. It is this team that will generate the referral for entry into the RBS system and initiate the request for an assessment to confirm the level of care needed. The CFT will be composed of family members, friends, members of the family’s faith community, and professionals who work together to jointly develop an individualized plan to strengthen family capacity; assure safety, stability and permanency; and build natural supports that will sustain the family over time. The team process is not a simple intervention, but rather a process that is owned by the family and can be sustained after all formal supports are no longer needed. Thus, the team remains the constant planning process for the child regardless of the involvement of other services. While the team will always include a facilitator, a parent partner and the family, it will also include other members as prescribed by the current status of system involvement, such as a residential care staff member, a case-carrying CSW, a DMH system navigator, an education specialist, and/or a community mental health worker. In the scaled-up version of this system, a provider will not have a representative on the CFT until after a child is assigned to that provider. For the purposes of the demonstration, the provider will have the responsibility of convening and facilitating the CFT. Therefore, the CFT formation will, practically speaking, occur after the level of care assessment mentioned below is conducted.

Screening, Assessment and Decision-making. DCFS and DMH will hold TDM meetings to consider placement level options for any eligible child recommended for RCL 12 or 14 or currently in an RBS Demonstration Project Program. This process will generate a Child and Adolescent Needs and Strengths (CANS) assessment for the referred child. The CANS is used to assess the child’s functioning in terms of school performance, conduct and behavior, social relationships, mood and emotions, substance abuse, thinking, aggressive and self-harmful behaviors and assists in developing the required level of services required. The placement recommendation will include the CANS assessment and a recommendation for

placement in the preferred provider demonstration project or a compelling reason for assignment to another residential treatment program.

Behavioral Health Management Unit (BHMU). This will be a joint unit staffed by DCFS and DMH which will receive the assessment and recommendation for residential placement. Based on a review of the recommendation, the BHMU will assign the child to a provider whose service model and geographic location matches the child's and family's needs. In addition to assignment of a provider, the BHMU will authorize placement and continuing care for specified time periods. Residential placement authorizations will initially be for three months, and continuing care authorizations will be for up to 12 months. If the treatment time is anticipated to exceed the authorized time, the CFT will be required to apply for an extension. The BHMU will be the "brain" of the system as it will also perform utilization management and administrative functions. It will be operational on a full-time basis, as it will have to manage the system navigation of almost 200 children per year.

Joint DCFS/DMH Executive Committee. This will be a high-level committee which will convene on a regular basis to oversee and manage the activities of the BHMU.

Residential Care. Within this transformed system, the residential care provider will be responsible for facilitating and staffing the CFT using Wraparound principles, treating the child using evidence-supported therapeutic modalities, providing educational support, working with the current or potential family, and securing lower level care (FFA, etc.) for children whose treatment is complete after three months but whose family is not ready to receive them. The provider may also provide respite for children who have been returned to their family but need sporadic returns to a structured setting to maximize treatment gains.

Continuing Care. Continuing care, which will begin upon discharge from residential treatment, will also be the responsibility of the RBS provider and will be based on Wraparound principles. It may include intensive home-based services, outpatient mental health services, educational support, and linkage to community-based services.

Roles of Collaborative Partners

The demonstration project process will result in a Request for Information (RFI) jointly released by DCFS and DMH. Interested group home providers will respond to the RFI with details about how they plan to construct a transformed service model to provide all services needed (CFT, family support/finding, residential care, continuing care, respite, community-based mental health services) and achieve the desired outcomes within the financial parameters. Based on responses to the RFI, the County will select providers to participate in the demonstration and will contract with those providers to provide RBS using procurement by negotiation.

Demonstration providers will be selected based on their ability to provide a continuum of care which contains residential beds, Wraparound services, and mental health services both in-house and in the community. Providers fitting this description have been attending the RBSC meetings and giving input during the general design discussions. These providers, who have proven track records with respect to providing quality service, have already expressed tentative interest in participating in a demonstration contingent on the viability of the financial model.

Alternative Funding Models

The new RBS system proposed by LA County is one that will combine the effective practices of Wraparound and residential treatment to result in a service delivery system that resembles the “ResWrap” pilot LA County implemented and completed three years ago. LA County’s RBS proposal will leverage the flexibility provided by the Title IV-E Waiver and AB 1453 to create an alternative funding model that will reinvest savings from projected group home costs (based on the average current group home length of stay) into concurrent Wraparound services and a RBS risk pool to cover continuing care and unanticipated costs. Payment for time in residential placement will be limited, and payment for concurrent Wraparound services will be limited in order to fund the risk pool. Payments beyond pre-authorized services levels for residential settings or for Wraparound services will need prior authorization or will be covered through the risk pool.

Our proposed financial model is based on length of stay data which indicate that the average length of stay for a youth in RCL 12 group care is 10 to 18 months for all providers versus larger providers in LA, and in Wraparound Services for 12 months. The transformed RBS funding model provides for reduced time in residential care, concurrent ResWrap-like services, and increased continuing care, and will be cost neutral in the first year.

6. Factors currently supporting and impeding change in LA’s human service system environment and our strategies for accomplishing change in this context.

In 2003, DCFS concentrated our focus on the three key goals of improving safety, speeding timelines to permanence and reducing the number of children in foster care. We have employed five core strategies as the building blocks of our redesigned practice model which have already demonstrated significant improvement on the California Child Welfare Outcomes performance measures.

Additionally, through our participation in the 2003 Katie A. Settlement Agreement, DCFS and DMH have recognized the need for systemic improvements to better meet the mental health needs of children and families involved in the child welfare system. Our departments have collaborated on a strategic plan to coordinate and integrate initiatives to identify mental health needs, provide quality assessment and individualized flexible treatment services in home-based settings, reduce reliance on congregate care settings for treatment, and develop a child and family team planning process and continuum of intensive home-based mental health services as alternatives to congregate care. Together, our departments have committed to a system of care approach to integrated practice guided by three principles:

- Services are driven by the needs of the child and preferences of the family and are addressed through a strengths-based approach.
- Services should occur in a multi-agency collaborative team and are grounded in a strong community base.
- The services offered, agencies participating, and programs generated are responsive to cultural context and characteristics.

The flexible funding capped allocation under the Waiver will allow us to scale up the strategies already in place, and add to them through proposed projects such as this RBS reform proposal, to help families build on strengths to meet children’s mental health needs at home in their communities. The strong support of LA stakeholders for RBS reform has generated the commitment to proposing a demonstration project serving RCL 12 or 14 children and youth who face RBS placements. Limiting the size of the LA RBS

demonstration project will be a key factor in our ability to carefully track outcomes and expenditures, and to determine our success.

7. How the role of group residential services for children and youth within our continuum of care will be different as a result of this reform effort.

This proposal is designed to limit the amount of time children or youth spend in group home settings and focus a multi-disciplinary team equally on their needs for treatment and their need for permanence, based on the belief that children do best when they are able to grow and thrive in a family. This model limits the amount of time spent in residential settings, uses those savings to fund concurrent “ResWrap” services and invest in a risk pool to cover unanticipated needs (in line with the recovery model which plans for intermittent interventions), and ensures continuity of care through the Wraparound child and family team which case manages the child and family’s needs through the life of the case. Ultimately, we believe that DCFS will be able to reinvest savings from fewer care days in residential settings into increased Wraparound and other continuing care services.

9. Other relevant facts about LA County, service population, provider community and recent trends in group care utilization that influence the impact or innovation of our RBS reform initiative.

DCFS and DMH choose at this time to propose a demonstration project plan under which contracts with provider partners will extend for two years, renewable annually thereafter each year for a total of five years. After year two of the contract, we will do a full evaluation of the outcomes and other results and evaluate broadening the scope. The LA Probation Department has expressed interest in participating in RBS reform in the future.

10. See attachments