

Risk Pool Application SFY 2016-17

Please complete all items and submit electronically to the Regional Managing Director. Upon review and concurrence of the Risk Pool Request, the Regional Managing Director will submit the application to the Deputy Secretary for the Department.

Lead Agency Name: Community Based Care of Central Florida, Inc. (Seminole)

Region: Central

Contract No.: GJL57

Address: 4001 Pelee St., Orlando, FL 32817

Lead Agency Contact: Susan Lowe

Phone No.: 321-441-2068

Contract Manager: Sumer Bray

Phone No.: 407-222-2012

This request is being submitted in response to an anticipated current year deficit in excess of available carry forward funds.

Financials:

- 1) Confirm the dollar amount being requested: \$3,678,980.
- 2) Confirm that funds will be expended by the end of the current fiscal year: Yes No
- 3) How do you propose to use these funds to address or correct the underlying cause of the shortfall?

CBCCF has chosen to only request Risk Pool funding for the Seminole portion of our contract (formerly #GJ501; the two contracts were merged effective October 1, 2016). We believe that the circumstances contributing to the deficit in Seminole squarely align with the Risk Pool intent of mitigating increased costs due to factors outside of a Lead Agency's control. These factors, discussed at length in our FY 2015/16 application, have had a lasting impact as the agency has sought to ensure appropriate services are offered to children and families involved in our system of care.

The requested funds will be utilized to address shortfalls in the FY 2016/17 budget, which includes both the current year projected deficit (\$2,973,689.11) as well as the gap between the requested funds and actual award during the FY 2015/16 Risk Pool Application process (\$705,290). This gap contributed to the carry forward deficit that could compromise services if not adequately addressed.

Seminole Risk Pool Request - Breakdown

FY 2015/16 Risk Pool Shortfall	(\$705,290)
July 2016 – Sept. 2016	Deficit under GJ501 – actual (\$973,699.62)
Oct. 2016 – June 2017	Deficit under GJL57 – projected <u>(\$1,999,989.49)</u>
	Full Request (\$3,678,980)

The current year deficit is primarily in three areas, attributable to the 64% increase in removals over the last three years: 1) Dependency Case Management, 2) Out-of-Home, including costs associated with high-needs children that may be eligible for payment by an alternate source, and 3) Flex Funds, including costs associated with adult services that may be eligible for payment by an alternate source.

1) *Case Management \$4,200,000 – total projected expense*

In FY 2015/16, CBCCF finalized an agreement with the Seminole case management agency, Children’s Home Society, to adjust its resources to appropriately staff for the number and composition of children and families being served by the system. These changes are aligned with efforts to maintain fidelity to SDMM and COA safety ratios, with a target caseload ratio of 15:1. Smaller caseloads and increased supports will allow case managers to more effectively meet the needs of the larger population in care, with a targeted focus on optimal placements and permanency.

With this system implemented, CBCCF has made substantial financial inroads while maintaining a high standard of care for the children and families we serve. In January 2016, the caseload ratio was 28:1. Ten months later, the caseload ratio in Seminole rests at 15.8:1. CBCCF has implemented several other operational strategies which have improved the ability of case managers and their supervisors to perform, including: SDMM proficiency training for CMA supervisors (Financial Viability Action Plan Goal IIA.1) a two-part Advanced Supervision Training series (Goal IVB.1-2), safety management mentoring (Goal IIB.1-3), and conducting weekly ‘Healthy Systems’ meetings with each CMA agency, focused on targets of exits, closures and permanency (Goal IC.9).

2) *Out-of-Home Care \$2,980,665 – total projected expense*

Notably, the trend for out-of-home expenses is ahead of budget (\$3.6 million). In spite of a 64.97% increase in removals over the three-year period ending September 2016, CBCCF has managed to reduce the out-of-home care population in the last year by 10%. As of October 31, 2016, 375 children were in out-of-home care in Seminole. This improvement is a direct result of the actions taken in the last year by the agency, including investing in case management, prevention services, achieving adoption targets and implementing SDMM methodology. We will expect to see continued results in this direction if we are able to maintain these operational improvements through the year with the benefit of the requested Risk Pool funding. In addition, if all stakeholders (CLS, judiciary, GAL, etc.) were completely educated on SDMM methodology and the correct use of conditions of return then safe children would find permanency quicker and there would be significant reduction in out-of-home costs.

Approximately 5% of this total projected expense can be attributed to non-FSN residential services that are designed for children with significant developmental delays, and could be offset by the Agency for Persons with Disabilities (APD). CBCCF has made concerted efforts, detailed in the Financial Viability Action Plan, to appeal to APD for payment of children who could receive their support and/or be eligible for services. To date, APD has not begun payment on any eligible youth under the age of 18 in the entire CBCCF service area. Should just one additional child require payment by CBCCF – with rates of up to \$275 per day – this annual expenditure could easily double.

3) Client Assistance \$911,000 – total projected expenses

Client assistance includes a broad array of supports to families and on behalf of children in a variety of settings, including post-adoption, out-of-home, in-home, and diversion/prevention. Such assistance may include: respite care, evaluations and assessments, child care, clothing allowance, rent or utility assistance, therapeutic services, mentoring, extracurricular activities and other expenses that promote normalcy for children who deserve to have their wellbeing front and center. Client assistance is driven by volume, and while CBCCF-Seminole is fortunate to have decreased our out-of-home care population by 10% in the eleven month period since our prior Risk Pool submission, a strict adherence to the fidelity of SDMM and a strategic focus on prevention has led to a projected \$911,000 expense in this category.

Of this, approximately 13.1% can be attributed to expenditures for adults that could be offset by the local managing entity. Such expenses are typically for parents of children in care, and include mental health and substance abuse services. CBCCF has worked consistently over the last year to help expand the managing entity's capacity to serve this population and to identify mechanisms by which to improve client engagement, thereby shortening the length of stay for children in care. These efforts are included in items IIIA.1-4 of the Financial Viability Action Plan. Though CBCCF has worked in partnership with the managing entity and DCF's Substance Abuse/Mental Health office, the agency requires proactive engagement by the managing entity to ensure their contracted providers are accepting and serving our child welfare clients using SAMH dollars. For example, we have requested that the managing entity hold provider meetings (with DCF, ME and CBCCF leadership present) and issue contract amendments requiring funding eligibility screenings on all clients and acceptance of the Child Welfare Universal Referral Form by their contracted providers. To date, this has not been initiated. CBCCF is actively participating in the SAMH Child Welfare Behavioral Health Integration Project, facilitated by DCF; we are hopeful that this process will expedite the implementation of these strategies and result in a reduction of costs to our system.

Lead Agency Name: Community Based Care of Central Florida, Inc. (Seminole)

Region: Central

Contract No.: GJL57


Glen Casel, President/CEO

11-30-16

Lead Agency CEO/ED Name and Signature

Date

CBC Contract Manager Name and Signature

Date

Regional Managing Director Name:

Please confirm the following:

The Lead Agency submitted a Financial Viability Plan.

Yes

No

The Lead Agency is actively working its Financial Viability Plan.

Yes

No

Please check the applicable box to indicate your level of support of this application:

Concur

*Do Not Concur



Regional Managing Director Signature

12/5/16

Date

***Rationale:**

(This item must be completed if "Do Not Concur" is checked.)

Exhibit A

Section 409.990(7), Florida Statutes:

- (a) The department, in consultation with the Florida Coalition for Children, Inc., shall develop and implement a community-based care risk pool initiative to mitigate the financial risk to eligible lead agencies. This initiative must include:
1. A risk pool application and protocol developed by the department which outlines submission criteria, including, but not limited to, financial and program management, descriptive data requirements, and timeframes for submission of applications. Requests for funding from risk pool applicants must be based on relevant and verifiable service trends and changes that have occurred during the current fiscal year. The application must confirm that expenditure of approved risk pool funds by the lead agency will be completed within the current fiscal year.
 2. A risk pool peer review committee, appointed by the secretary and consisting of department staff and representatives from at least three nonapplicant lead agencies, which reviews and assesses all risk pool applications. Upon completion of each application review, the peer review committee shall report its findings and recommendations to the secretary, providing, at a minimum, the following information:
 - a. Justification for the specific funding amount required by the risk pool applicant based on the current year's service trend data, including validation that the applicant's financial need was caused by circumstances beyond the control of the lead agency management;
 - b. Verification that the proposed use of risk pool funds meets at least one of the purposes specified in paragraph (c); and
 - c. Evidence of technical assistance provided in an effort to avoid the need to access the risk pool and recommendations for technical assistance to the lead agency to ensure that risk pool funds are expended effectively and that the agency's need for future risk pool funding is diminished.
- (b) Upon approval by the secretary of a risk pool application, the department may request funds from the risk pool in accordance with s. 216.181(6)(a).
- (c) The purposes for which the community-based care risk pool shall be used include:
1. Significant changes in the number or composition of clients eligible to receive services.
 2. Significant changes in the services that are eligible for reimbursement.
 3. Continuity of care in the event of failure, discontinuance of service, or financial misconduct by a lead agency.
 4. Significant changes in the mix of available funds.
- (d) The department may also request in its annual legislative budget request, and the Governor may recommend, that the funding necessary to effect paragraph (c) be appropriated to the department. In addition, the department may request the allocation of funds from the community-based care risk pool in accordance with s. 216.181(6)(a). Funds from the pool may be used to match available federal dollars.
1. Such funds shall constitute partial security for contract performance by lead agencies and shall be used to offset the need for a performance bond.
 2. The department may separately require a bond to mitigate the financial consequences of potential acts of malfeasance or misfeasance or criminal violations by the service provider.