



Agency Recommendation Summary

The Department of Children, Youth and Families (DCYF) requests \$15,376,000 (\$13,330,000 General Fund-State, \$2,030,000 Private/Local Funds and \$16,000 General Fund- Federal) in the 2023-25 Biennial Budget for investments in combined in-home and transition services allowing for increased access to services for DCYF clients across divisions. DCYF is seeking to lay a foundation for a robust continuum of services and move towards service integration which will allow the agency to make significant strides in advancing the agency's the strategic priorities.

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Staffing						
FTEs	3.0	3.0	3.0	3.0	3.0	3.0
Operating Expenditures						
Fund 001 - 1	\$2,814	\$6,632	\$9,446	\$6,632	\$6,632	\$13,264
Fund 001 - 1	\$1,565	\$2,319	\$3,884	\$2,986	\$3,827	\$6,813
Fund 001 - A	\$8	\$8	\$16	\$8	\$8	\$16
Fund 001 - 7	\$812	\$1,218	\$2,030	\$1,131	\$870	\$2,001
Total Expenditures	\$5,199	\$10,177	\$15,376	\$10,757	\$11,337	\$22,094
Revenue						
001 - 0393	\$8	\$8	\$16	\$8	\$8	\$16
001 - 0541	\$812	\$1,218	\$2,030	\$1,131	\$870	\$2,001
Total Revenue	\$820	\$1,226	\$2,046	\$1,139	\$878	\$2,017

Decision Package Description

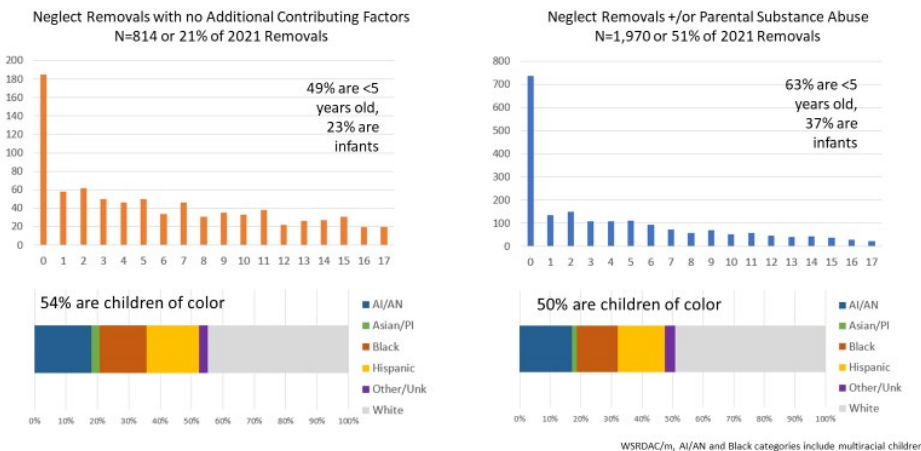
Background:

In HB 1661, the Legislature charged DCYF to improve service delivery and outcomes as well as restructure services into a comprehensive agency. In order to fulfill this mandate, DCYF must partner with families and communities to expand and support the broad continuum of services that is necessary. Additionally, new legislation and recent State Supreme Court decisions significantly impact DCYF's practice related to removal decisions, keeping families together when safely possible, better supporting young people exiting foster care, and requiring expanded services for young people exiting juvenile rehabilitation. A robust service continuum will be critical to DCYF's ability to serve families as required by these new statutes and court decisions.

DCYF administers an array of programs and services designed to respond to varying needs of children and families engaged in or at-risk of entering the child welfare and juvenile justice systems. The existing service array is currently fragmented and not organized in a way that enables workers to provide timely active efforts and meet the needs of families, neither is it organized to allow workers from one part of the agency to refer clients to services supported by another part. In addition, scarcity in existing programs and gaps in the service continuum point to a need for both additional capacity in existing services and development of new service options. More work is needed to achieve service integration at DCYF, but investments in this DP will help lay the necessary foundation.

With thoughtful input from stakeholders, DCYF has taken some immediate actions in FY22/FY23 and made investments to bolster immediate service needs including hiring additional staff to focus on provider recruitment and service capacity, building out capacity for crisis-focused Evidence Based Practices (EBPs) in targeted placement areas, reducing contract barriers for service providers, and adding culturally relevant services, like Positive Indian Parenting, into our service array. In addition, DCYF is slated to begin a stakeholder process to develop a vision and a plan for integrating the current service array across divisions and ensuring those services are culturally and linguistically responsive.

To inform our efforts to expand the service array, DCYF has created a statewide profile of contributing factors leading to children entering out of home care during CY21. Last year a total of 3,848 children were placed into out-of-home care, with neglect and/or parental substance abuse being the identified contributing factors for 51% of those entries into out-of-home care. DCYF also completed a landscape analysis for HB 1186, profiling the service needs and gaps of young people exiting juvenile rehabilitation.



Following implementation of HB 1227, neglect and parental substance use alone may not meet removal standards, unless they can be shown to pose immediate physical danger to children. As a result, DCYF estimates that up to 21% more children will remain in their homes with families in need of services that address factors contributing to neglect and substance use. These services will be crucial to promoting child safety.

Proposal:

DCYF is working to keep families together in their communities whenever safely possible, and to expedite safe family reunification and connection to community supports whenever out-of-home placement is necessary. Additionally, DCYF is working to ensure all young people exiting systems of care successfully transition into adulthood. A robust services array is necessary to achieve these two goals. DCYF must work in partnership with communities to identify needs and fund community organizations to deliver services. Providing the right combination of services at the right time can reduce trauma and build resilience in a child, youth, or family, or even prevent them from entering the child welfare or juvenile justice systems. DCYF must build an integrated, agency-wide framework for service delivery so that children, youth and families can access needed services regardless of how they come to the attention of DCYF.

To achieve these goals, DCYF requests an investment to increase direct services to DCYF clients by expanding and improving in-home services and transition supports. Included in this proposal is expanding the delivery of combined-in-home services (CIHS) and ensuring quality for this service line through capacity-building and continuous quality improvement investments. This request also includes much needed additional resources for transition services including independent living and the LifeSet program which serve young people exiting child welfare and juvenile rehabilitation.

In-Home Services Expansion and Quality Improvement

Services for child welfare involved families to prevent removal or support reunification.

Combined In-Home Service Expansion

In CY21, DCYF served 17,674 families/individuals in CIHS. Targeting the top contributing factors leading to up to 21% of current out of home placements, DCYF requests an increase to the CIHS direct services budget to focus on increasing services and meeting demand. This increase will also allow DCYF to build on the expansion of culturally relevant in-home services in partnership with Tribes and Recognized Indian Organizations.

In-Home Capacity Building

This investment will strengthen DCYF’s infrastructure to ensure that expanded services are high-quality and culturally responsive. Working with community-based partners, DCYF will provide funding to organizations to provide continuous quality improvement, quality insurance, technical assistance, and capacity building supports to contractors funded through the combined in-home service line. Community-based partners would help DCYF ensure quality and network sufficiency across the service line – ensuring providers are operating with fidelity and are culturally responsive to the communities they serve.

Under the quality improvement umbrella, this would include managing contracts, monitoring outcomes, and ensuring model fidelity. Under the capacity building umbrella, this would include prioritized funding for new organizations that can provide culturally responsive services to Black, American Indian/Alaska Native, Hispanic, and LGBTQ communities, as well as families speaking a primary language other than English. Capacity building dollars would work with these organization to ensure they have the tools and resources necessary to maintain the integrity of programming with families.

Transition Services

Service expansion for youth and young adults involved in child welfare and juvenile rehabilitation to ensure successful transitions from care. These investments will both serve clients from two distinct divisions within DCYF and allow DCYF to start to test out service integration.

Independent Living Service Expansion Placeholder

In 2021, DCYF received funding to create and implement a new approach to transition planning for young people exiting child welfare and juvenile rehabilitation, including a re-design of the independent living services contract. The recommendations for this report are due November 30, 2022. DCYF will provide more detail on this proposal as soon as recommendations from the stakeholder group are available.

LifeSet Expansion

LifeSet is a comprehensive, community-based intervention model designed to serve young people 17-22 years old who have been involved in the foster care, juvenile justice and mental health systems or young adults who find themselves without the necessary skills and resources to make a successful transition to adulthood. DCYF currently contracts with community-based organizations to deliver this model in King County and in Yakima/Tri-Cities area through funding received in the 2021-23 biennial budget. DCYF proposes to continue this program and scale to eight sites across Washington State over the next two Bienna.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

The following will have an effective date of July 1, 2023 with a total SFY24 cost of \$5,199,000; SFY25 cost of \$10,177,000.

Detailed Assumptions and Calculations:

Assumptions

The agency assumes a phased in increase of costs for Combined In-Home Services (CIHS) based on the estimated increase of children remaining home due to the new removal standard (HB 1227) and the assumption this number will continue to grow as capacity builds in smaller BIPOC communities.

CIHS are identified as:

- Crisis Family Intervention (CFI)
- Intensive Family Preservation Homebuilders (IFP)
- Project Safe Care, Promoting First Relationships (PFR)
- Safe Care
- Positive Parenting Program (Triple P)
- Evidence Based Practices (EBP)
- Functionally Family Therapy (FFT)
- Incredible Years (IY)
- Parent Child Interaction Therapy (PCIT)
- Family Preservation services

In order to respond to the anticipated increase in number of children, youth, and families in need of In-Home services the agency estimates the additional cost to maintain service capacity to be an additional 5 percent for 2024, and 10 percent increase for 2025.

The number of families that received combined in-home services in 2021 was 17,674. It is estimated 814, or 5 percent, more children will remain home and in need of services in 2024. As capacity grows in 2024, the need for In-Home services will continue to grow as well. DCYF assumes an additional 10 percent increase of service use for 2025.

DCYF will increase capacity building client service contracts in smaller BIPOC communities to provide more training and services, which is different than the agencies existing services into rural areas. This investment is meant to lift up community-based services (smaller providers), provide technical assistance, and elevate the work they are doing at a local level. The capacity building contracts are modeled after the Community-Based Child Abuse Prevention (CBCAP) in early learning programs which currently spends around \$1 million a year. The CBCAP program has a more restricted population compared to the BIPOC community's population. Therefore, the agency assumes it will need twice as much funding, or \$2 million a year for capacity building contracts in BIPOC communities.

The agency assumes a professional service contract to manage outcome data to ensure contracts are upholding the performance-based contracting standards and managing statewide quality of service outcomes of \$1 million for 2024 and \$1.1 million for F2025.

DCYF received proviso funding in the 2022 supplemental budget effective July 1, 2022 to increase rates for CIHS for \$8,440,000 for 2023 as recommended by a market rate study completed by a contracted vendor in calendar year 2021. This proviso will carry forward.

The expansion of CIHS will need to include culturally appropriate services provided to children in their own home at risk of removal. The agency assumes a client service contract cost of \$700,000 and to be similar to the positive Indian parenting contracts used for capacity building and culturally relevant services.

Calculations

Combined In-Home Services Expansion;

DCYF requests \$2,879,000 GF-S for SFY24 and \$6,697,000 GF-S for SYF25. Includes 3 FTEs.

- CIHS expansion direct increase of 5% for SFY24 and 10% SFY25.
- CQI professional service contract based on CQI/QA model.
- Capacity building client services contract for 2,000,000 per fiscal year.
- Cultural client services contract for 700,000 per fiscal year.

CIHS Expansion Direct Increase

DCYF has spent \$13 million on average over a three-year period (FY 2020, 2021, 2022) on CIHS contracts. The pandemic has decreased these expenditures over the last two years and the agency anticipates the 2020 expenditures of \$14,953,976 to be a more realistic reflection of service needs moving forward.

	2019	2020	2021	2022
CIHS Expenditures	14,246,870	14,953,976	9,646,209	11,958,271

The agency assumes a direct increase of service in CIHS of 5% or \$1,170,000 for SFY24, and 10% or \$2,456,000 for FY25. The agency will phase in this expansion over the biennium until full implemented at the SFY25 level.

FY 2024:

\$14,953,976 (2020 expenditures) + 8,440,000 (rate increase) = \$23,393,976 estimated direct services expenditures for 2024.
 \$23,393,976 direct service expenditures x 5% increase = \$1,169,699 service increase for CIHS.

FY 2025:

\$23,393,976 (2024 estimated expenditures) + \$1,169,699 (5% increase) = \$24,563,675 estimated direct service expenditures for 2024.
 \$24,563,675 direct service expenditures x 10% increase = \$2,456,367 service increase for CIHS.

COI Professional Service Contract

The agency is assuming a COI professional service contract for \$1,010,000 for SFY24 and \$1,108,000 SFY25. The calculated cost of the COI contract is modeled after the cost of FTEs the agency would need if using the proposed ratio for Continued Quality Insurance/Quality Assurance (CQI/QA) for service delivery based on success in other service areas developed by OIAA.

Ratio: Prototype COI supports (employed + contracted): 1.0 COI FTE/equivalent to every \$3.3 – 3.8 million in program dollars.

Based on the ratio above, and the estimated In-home services of \$24,563,675, the lower range calculates 6.5 FTEs. ($24,563,675 / 3,800,000 = 6.5$ FTEs) The cost for the agency to hire 6.5 management level FTEs is estimated at \$1,010,000, thus giving the estimated cost of the professional service contract for SFY24 and \$1,108,000 for SFY25.

Phase in Approach

The agency is assuming a phased in approach for the CIHS the direct increase in services, COI contract, Capacity building contracts, and culturally relevant service contracts. The phase-in does not include staff and assumes the 3 FTEs will be needed immediately to begin the work.

2LifeSet

DCYF requests \$2,320,000 for FY24 (\$1,508,000 GF-S and \$812,000 GF-Local/Private); \$3,480,000 for FY25 (\$2,262,000 GF-S and \$1,218,000 GF-Local/Private).

DCYF assumes the agency would apply for and receive a private grant from Youth Villages to support statewide scaling of the program.

The LifeSet model is delivered through teams comprised of 4 FTE LifeSet specialists and one FTE Team Supervisor. Each team serves 32 youth daily and approximately 50 youth annually and costs \$580,000 in total each year. The costs to deliver LifeSet are primarily comprised of staff salaries, benefits and travel (i.e. mileage) along with – to a smaller degree – occupancy, equipment and model implementation fees. Philanthropic support from Youth Villages would significantly reduce the programmatic costs.

Additional teams to be added over the four-year outlook will ensure programmatic coverage in the following counties and areas: King, Pierce, Snohomish, Clark, Yakima and Tri-Cities, Spokane, and a team serving residents of rural eastern Washington. A staggered approach to expanding LifeSet will support effective replication of the model in each of these areas. The following timeline for expansion is recommended:

Four Year Scaling Plan – FY24-27			
Fiscal Year	New Geography	Statewide Number of <u>LifeSet</u> Teams	Number of young people served annually
<i>As of FY23, there are two <u>LifeSet</u> teams operating in Washington under contract with DCYF in King & Yakima Counties</i>			
FY24	Spokane County Pierce County	4	244
FY25	Snohomish County Clark County	6	392
FY26	Rural Eastern WA	7	492
FY27	King County	8	566

*Estimated young people served each year for new teams is 48 and for existing teams is 74 (some young people receive services across fiscal years and are counted in both).

Four Year Budget Projection – FY24-27			
<i>Additional budget detail included in appendix</i>			
Fiscal Year	DCYF Funds	YV Grant Funds*	Total Cost
FY24	\$1,508,000	\$812,000	\$2,320,000
FY25	\$2,262,000	\$1,218,000	\$3,480,000
FY24-25 Biennium Total	\$3,770,000	\$2,030,000	\$5,800,000
FY26	\$2,929,000	\$1,131,000	\$4,060,000
FY27	\$3,770,000	\$870,000	\$4,640,000
FY26-27 Biennium Total	\$6,699,000	\$2,001,000	\$8,700,000

*Grant fund amounts and 26-27 biennium budget included for illustrative purposes. Actual grant funding amounts are contingent upon the submission and approval of an application submitted by DCYF to Youth Villages, and outcome of the 26-27 WA legislative session.

Workforce Assumptions:

DCYF requests \$454,000 GF-S in SFY24, and \$432,000 GF-S in SFY25 for 3 Full Time Equivalent Staff (FTEs).

**Combined in Home Service Expansion and Capacity Building – 3.0 FTE;
 Combined in Home Service and Expansion**

- DCYF is requesting 1.0 Management Analyst 5 - \$155,000 in SFY 2024.

- DCYF assumes 1.0 FTE to manage and specialize in culturally relevant service provision.
- DCYF assumes a standard annual cost of \$5,400 for goods and services (\$1,800 per FTE).
- DCYF assumes a standard annual cost of \$7,200, for travel (\$2,400 per FTE).
- DCYF assumes one-time cost of \$21,600 in FY 2024 for capital outlays (\$7,200 per FTE).

Capacity Building

- DCYF is requesting 2.0 FTEs – \$299,000 in SFY 2024.
- DCYF assumes 1.0 Management Analyst 5 to manage and specialize in culturally relevant service provision.
- DCYF assumes 1.0 Program Specialist to manage contracts, conduct community engagement with potential providers, and provide technical assistance to contractors.
- DCYF assumes a standard annual cost of \$3,600 for goods and services (\$1,800 per FTE).
- DCYF assumes a standard annual cost of \$4,800, for travel (\$2,400 per FTE).
- DCYF assumes one-time cost of \$14,400 in FY 2024 for capital outlays (\$7,200 per FTE).

Strategic and Performance Outcomes

Strategic Framework:

This proposal contributes to the Governor’s Result WA goal of healthy and safe communities, by providing services and concrete supports that allow families to avoid further child welfare involvement, reunify with their family quickly, and ensuring services are accessible and relevant to all communities in Washington.

The proposal relates to DCYF’s strategic goals to:

- Eliminate racial disproportionalities and advance racial equity by expanding and enhancing culturally relevant services.
- Safely reduce the number of children and youth in out-of-home care by half by improving access to services that speed reunification
- Improve quality and availability of provider services by reducing barriers for providers, emphasizing provider recruitment, and implementing more continuous quality improvement support

Performance Outcomes:

This proposal will contribute to the following performance outcomes:

- Reduced racial disproportionality at child welfare decision points (such as intake or reunification)
- Reduce number/rate of children in out of home care
- Increased reunification rates

This proposal will contribute to the following incremental performance metrics:

- Increased number of BIPOC service providers
- Increased service provider capacity for EBPs
- Increased quality and model fidelity of EBPs

Equity Impacts

Community outreach and engagement:

The need for additional services is particularly acute in BIPOC communities and rural communities. When looking at CY service expenditures from 2019 to 2021 there has been a decrease in families/individuals served in the Alaskan Indian/American Indian (-26%), Asian/Pacific Islander (37%), Black/African American (33%) & Hispanic (-18%) communities by DCYF. DCYF must increase the availability of culturally responsive services provided across our service lines to these communities. DCYF anticipates that the funding proposed particularly through the capacity building investment will help BIPOC providers build the necessary infrastructure to offer services to DCYF clients. Additionally, the expansion in the combined in-home service line, which includes culturally relevant services and partnership with Tribes, will contribute to closing disparate service provision. In addition, services are not available consistently across the state. New service dollars will be targeted to rural communities in Washington who have more difficult accessing services currently.

Disproportional Impact Considerations:

Families at risk of system involvement, families reunifying, young people exiting systems of care.

Target Populations or Communities:

Culturally relevant service investments will provide more services for groups that are disproportionately represented in the child welfare system, particular Alaska Native/American Indian communities. Additionally, capacity building funding will allow for greater opportunity for BIPOC organizations to provide these services directly.

Other Collateral Connections

Puget Sound Recovery:

Not applicable

State Workforce Impacts:

Not applicable

Intergovernmental:

Tribes will see increased amount of services availability to tribal families and tribal service providers will be utilized for service provision. Additionally, tribes will have a DCYF staff member to work directly with them to ensure they are supported in the contract and procurement process.

Stakeholder Response:

The following stakeholders have been consulted:

- Contracted service providers, particularly for combined in-home services and independent living
- Washington Association of Children & Families (WACF)
- Child Welfare Advocacy Coalition
- Passion to Action/Youth/Alumni of Care

Additionally, DCYF convened a 1227 services workgroup who produced many recommendations that are reflected in this report including building capacity of community-based services and increasing availability of culturally responsive EBPs.

HB 1186 engaged stakeholders and also produced a robust landscape analysis and recommendations that this report was also informed by.

State Facilities Impacts:

Not applicable

Changes from Current Law:

Not applicable

Legal or Administrative Mandates:

Not applicable

Reference Documents

[IT Addendum - CCS-DMS-v2 072622.docx](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

Yes

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$266	\$266	\$532	\$266	\$266	\$532
Obj. B	\$89	\$89	\$178	\$89	\$89	\$178
Obj. C	\$429	\$1,109	\$1,538	\$1,109	\$1,109	\$2,218
Obj. E	\$5	\$5	\$10	\$5	\$5	\$10
Obj. G	\$7	\$7	\$14	\$7	\$7	\$14
Obj. J	\$22	\$0	\$22	\$0	\$0	\$0
Obj. N	\$1,996	\$5,156	\$7,152	\$5,156	\$5,156	\$10,312
Obj. N	\$2,320	\$3,480	\$5,800	\$4,060	\$4,640	\$8,700
Obj. T	\$65	\$65	\$130	\$65	\$65	\$130

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