

2018 Supplemental Budget Decision Package

Agency: 307 Department of Children, Youth, and Families

Decision Package Code/Title: M2 - BF / Maintain Family Assessment Response

Budget Period: 2017-19

Budget Level: Maintenance Level

Agency Recommendation Summary Text:

The Department of Children, Youth, and Families (DCYF) requests \$4,795,000 in state funding to backfill the loss of federal funding for the second half of Fiscal Year 2019 due to expiration of the Title 4E Waiver agreement. The waiver has allowed the state of Washington to pay for the Child Protective Services (CPS) Family Assessment Response (FAR) program that is otherwise not allowable under the traditional Title 4E grant.

Fiscal Summary:

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
001-1 General Fund-State	\$0	\$4,795,000	\$9,591,000	\$9,591,000
Total Cost	\$0	\$4,795,000	\$9,590,000	\$9,590,000
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
Object A – Salaries	\$0	\$1,237,000	\$2,474,000	\$2,474,000
Object B - Benefits	\$0	\$511,000	\$1,022,000	\$1,022,000
Object N – Client Services	\$0	\$3,047,000	\$6,095,000	\$6,095,000

Package Description:

The Title 4E waiver allows DCYF to intervene in family-child crisis while a child stays at home through the FAR program. The FAR program, in preliminary evaluation by a third-party evaluator, increases positive outcomes for infants, children, youth, and families in their homes and communities, including tribal communities, and improves the safety and well-being of infants, children, and youth. It also prevents child abuse and neglect and the re-entry of children into foster care.

The waiver authorized the State of Washington to implement a demonstration that develops and implements Family Assessment Response, a deferential or alternative response pathway for screened-in allegation of abuse and neglect, as an alternative to traditional CPS investigations. FAR seeks to accomplish the following goal(s):

- Increased positive outcomes for infants, children, youth, and families in their homes and communities, including tribal communities, and improve the safety and well-being of infants, children, and youth.

- Prevention of child abuse and neglect and the re-entry of infants, children, and youth into foster care

The target population for the FAR pathway are families who are screened in for an alleged incident of neglect or abuse and who are determined to present a low to moderate risk to the child's immediate safety, health and well-being and who, with services and supports, are able to have the child safely remain in the family home.

The waiver allowed the state of Washington to use 4E funding for programs that prevents children from moving to out-of-home services. The traditional 4E grant pays for out-of-home services only. Unless the federal government agrees to an extension, the five-year waiver agreement expires in December 2018.

The waiver allows the state of Washington to:

- Expand eligibility – To allow the State to expend Title 4E funds for children and families who are not normally eligible under Part E of Title 4. DCYF serves approximately 15,000 families per year through the FAR program.
- Expand Claiming – To allow the State to claim at the federal medical assistance percentage any allowable expenditures of foster care maintenance payment cost savings.
- Expand Services – To allow the State to make payments for services that will be provided that are not normally covered under Part E of the Title 4 of the Act; and to allow the State to use Title 4E funds for those costs and services as described in the Terms and Conditions, Section 2.0.

With approval of the waiver by the federal government, starting July 2014 the state of Washington has been using the Title 4E grant to pay for CPS responses including investigation and FAR programs. The life of the waiver was five years and is expiring unless an extension is granted in December 2018.

Combined, FAR and CPS programs earn \$9.6 million annually from 4E grant. If the feds disallow an extension, both programs will lose \$4.8 million of federal funding in Fiscal Year 2019.

Although expiration of the waiver disallows CPS from earning Title 4-E funding, it also removes the limitation on how much the state of Washington can earn from the traditional Title 4-E grant. Over the life of the waiver, due to the five year capped federal grant amount, the State of Washington has been contributing 98 percent of General Fund-State on every new initiative inside Children's Administration or any increases to the cost of serving children and families. After the waiver, the ratio will go lower to reflect an approximate 60/40 state-to-federal funding split. Over the long-term, this change in federal match can outweigh the General Fund-State backfill required to fund the CPS responses.

Thirty-two items in the 2017-19 enacted budget funded DCYF with \$14 million, General Fund-State and Title 4-E combined. Converting the fund split ratio from 98:2 to 60:40 state-to-federal can save the state \$5.3 million.

Base Budget:

With the expiration of the 4E waiver, FAR and CPS programs will lose \$9.6 million of federal earnings annually. The annual budget of both programs is below:

		FY2019 Budget:		
Object		4E Waiver	State	Total
Child Protective Services:	A	\$ 2,473,812	\$ 2,688,450	\$ 5,162,262
	B	\$ 1,021,581	\$ 1,102,690	\$ 2,124,271
	E	\$ 23,397	\$ 24,510	\$ 47,907
	G	\$ 49,589	\$ 53,323	\$ 102,912
	Total	\$ 3,568,379	\$ 3,868,973	\$ 7,437,352
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Object		4E Waiver	State	Total
Family Assessment Response:	N	\$ 6,022,000	\$ 7,173,000	\$ 13,195,000
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Sum Waiver 2019:		\$ 9,590,379		

Decision Package expenditure, FTE and revenue assumptions, calculations and details:

The waiver expires in December 2018, and the Title 4E grant will be unavailable for both FAR and CPS programs for six months in Fiscal Year 2019. For FAR and CPS programs to continue providing the same level of services, DCYF will need \$3.1 million General Fund-State to backfill the loss of the 4E waiver in Fiscal Year 2019.

Decision Package Justification and Impacts**What specific performance outcomes does the agency expect?**

The department expects that this funding will allow services for FAR and CPS families to continue, resulting in healthy and safe families, and ultimately healthy and safe communities.

Performance Measure detail:

Goal 4: Healthy & Safe Communities - Healthy People - Healthy Youth and Adults - 1.2.A.a Percent of mental health consumers receiving a service within 7 days after discharge from inpatient settings.

Fully describe and quantify expected impacts on state residents and specific populations served.

On an annual basis, DCYF conducts face-to-face responses with an average of 40,000 children.

What are other important connections or impacts related to this proposal?

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov't impacts?	No	Identify:
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	No	Identify:
Responds to specific task force, report, mandate or exec order?	No	Identify:
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	No	Identify:
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.

What alternatives were explored by the agency and why was this option chosen?

The Waiver is a five year agreement. If the federal government doesn't grant an extension, the state of Washington will need to supplement the gap with General Fund-State monies.

Alternatively, DCYF will either end services to families in CPS and cut social workers.

- At an estimated \$100,000 per FTE per year cost, the \$9.6 million waiver funding buys 96 caseworkers annually.
- At an average of 18.1 cases per caseworker, a loss of 96 caseworkers would create a workload of 1,736 cases.

What are the consequences of not funding this request?

DCYF will be unable to maintain the current level of service if the federal fund loss is not supplemented with GF-State.

How has or can the agency address the issue or need in its current appropriation level?

DCYF will be unable to maintain the level of service if the federal fund loss is not supplemented with GF-State.

Other supporting materials:

N/A

Information technology:

No

Yes

