

# DFPS Rider 21 Report for Community Based Care February 2018

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As required in Sections 21 (a) and (b) of Rider 21 (page II-13) in Article II of The General Appropriations Act, 85<sup>th</sup> Texas Legislature, the Texas Department of Family and Protective Services (DFPS) shall, on August 1 and February 1 of each year of the biennium, "Report selected performance measures identified by the Legislative Budget Board (LBB) that will allow for comparative analysis between the legacy foster care and redesigned foster care systems". The report, "shall contain the most recent data for the selected comparative performance measures, an analysis of the data that identifies trends and related impact occurring in the redesigned foster care system, identification and analysis of factors negatively impacting any outcomes, recommendations to address problems identified from the data, and any other information necessary to determine the status of the redesigned foster care system". To meet these requirements DFPS is using a report format specified by the LBB, attached as a spreadsheet. This narrative discusses trends, impact, analyses of the factors that affect the outcomes, and recommendations to address problems that have been identified, if any.

## Background

Community Based Care (CBC), formerly known as Foster Care Redesign, changes the way DFPS procures, contracts, and pays for foster care services. Under CBC, a single contractor provides a full continuum of services to children and families within a designated geographic area. In Stage I, this Single Source Continuum Contractor (SSCC) is responsible for finding foster homes or other living arrangements for children in state care and providing them services to meet identified needs. In Stage II, the SSCC expands services to include relative or "kinship" placements, and has sole responsibility for case management. The model competitively procures performance-based SSCC contracts with financial incentives and disincentives for permanency outcomes, and additional performance measures for child safety and well-being.

DFPS executed an SSCC contract with ACH Child and Family Services (ACH) on January 1, 2014 for DFPS Region 3b. This SSCC catchment area includes Tarrant, Erath, Hood, Johnson, Palo Pinto, Parker, and Somervell counties in DFPS Region 3. The Region 3b SSCC under ACH Our Community Our Kids (OCOK) accepted its first referral for new and subsequent placements on September 1, 2014. On April 1, 2015, DFPS and the SSCC completed the transition of the legacy children in Region 3b. As of December 2, 2017 (close of the 1st quarter) OCOK had 1,281 children in the SSCC continuum which represents 98 percent of the children/youth in paid foster care from 3b, and approximately 7 percent of the overall children and young adults in paid foster care in Texas.<sup>1</sup>

DFPS has legislative approval to expand the current contract with the Region 3b SSCC to Community Based Care services. In addition, the 85<sup>th</sup> legislature supported implementation of CBC in four additional

catchment areas in fiscal years 2018- 2019. DFPS is procuring SSCC services in Region 2 and Bexar County in fiscal year 2018 and two additional catchments will be announced and procured in fiscal year 2019.

DFPS identified 17 total possible catchment areas. DFPS will consider the following criteria in selecting the next catchment areas for implementation:

- Minimum of 500 new entries of children per year
- Proximity to existing SSCC catchment area
- Local community support
- Regional readiness and stability
- Placements in and out of catchment area
- Challenges with capacity
- Affordability

Additional factors may be added as DFPS develops the model for CBC.

## Using the Rider 21 Report to Evaluate Systems Change

The CBC model is evaluated by comparing performance outcomes for the state as a whole, performance data for non-redesign catchments, and performance for individual SSCCs over time. To this end, the February 2018 Rider report attachment includes data for populations defined as follows:

- The statewide population is the performance of the entire state with regard to SSCC and “SSCC-eligible” legacy placements. “SSCC eligible” placements are paid foster care placements that would be within the scope of an SSCC contract to provide. This data supports assessing statewide trends that may influence both redesign and non-redesign systems.
- The statewide “non-redesign” population aggregates data for children in “SSCC-eligible” placements in catchments that have not implemented CBC. This allows analysis of improvement over historical baselines for children in the legacy regions compared to children served under CBC.
- The Region 3b legacy population shows the historical performance for the 3b catchment counties: Tarrant, Erath, Somervell, Hood, Palo Pinto, Johnson and Parker. In fiscal year 2015 the number of children in the 3b legacy population decreases as children transition to the 3b SSCC population. By fiscal year 2017, for Attachment B, the 3b legacy population reflects only the remaining children in the legacy system in the catchment who will eventually exit care. As of December 2, 2017, there were 28 children from 3b who remained in the legacy system. The small number of children in the numerator and denominator impacts the resulting percentage as seen in Appendix B and cannot be compared to baseline numbers for all children historically served in these counties.
- The performance of each SSCC is reported individually. The 3b SSCC population is both children who have transferred to the SSCC and children newly entering care under CBC. Future reports will show legacy catchment and SSCC performance for Region 2 and Bexar County SSCCs.

As Community Based Care progresses through a staged statewide implementation, the data can be used to answer the following questions:

Evaluation Question	Data Comparison
1. Are there statewide trends affecting SSCC performance?	Compare state performance trends to SSCC catchment trends and to trends for legacy (non-Redesign) catchments. Similarities may point to statewide factors influencing performance in CBC catchments.
2. Is the redesigned system doing better than the legacy system?	Compare SSCC performance (currently only one SSCC in 3b which limits comparability with regard to smaller total counts) to the performance of the legacy non-CBC population. If the SSCC catchment areas are improving over their historic trends more than the legacy catchment areas are improving over theirs, the changes made to the foster care system under CBC are effective.
3. Is a particular SSCC improving performance over time?	Compare individual SSCC performance across fiscal years. The significant changes implemented in redesign may take time before demonstrating improvement as the SSCC works to build new services in the area.
4. Are some SSCCs performing better than others?	Compare SSCC performance one to another. If improvements to outcomes compared to historical performance are greater for a specific SSCC, the specific strategies implemented by the SSCC may be more effective.

Outcome measurement requires time. Chapin Hall data and performance experts define “sufficient” time as a minimum of two years of full implementation with additional time required to collect data on those children and families’ experience and outcomes from entry to exit. Full implementation will now mean implementation of CBC with the SSCC serving the families of children in their care, providing case management services, and kinship services. Major systemic changes may not be observable until more catchment areas become a part of the redesigned system and fully implement CBC.

At 3 years into implementation in Region 3b, DFPS has learned the following about the time required to assess outcomes:

- The first few years of implementation are transition years that reflect outcomes for more children with foster care experience in the legacy system and children served for varying lengths of time under the SSCC.
- The redesign produces a significant shift in placement practices that makes some outcomes difficult to compare to historical performance. Historical outcomes attributed to children from a region or catchment area do not necessarily reflect the performance of providers *operating in the catchment*, given DFPS’ ability to place children with providers in other areas of the state, if their needs cannot be met by local capacity. As the SSCC shifts to placing more children in a catchment area, they begin by accessing existing capacity with the responsibility to grow that capacity to better meet needs. The result is a need for more time to produce outcomes or adjustment of the performance target to better matched inherited capacity.
- Due to their interconnectedness, it may be unrealistic to expect all outcomes to trend in a positive direction initially. Providers should have a vision for how their interventions will affect the outcomes

and in which order. Priority must also be given to what is in the best interest of the child. For example, stepping children down from more restrictive to less restrictive settings negatively impacts placement moves.

- Child welfare in Texas is not a “system at rest.” Understanding shifts in policy, practice, and population must be considered when assessing performance over baseline.

DFPS continues to refine performance measure methodologies to support the best measurement of outcomes and calculation of baseline targets. Two important indicator changes were made in fiscal year 2018:

1. The indicator for the outcome “children/youth are placed in the least restrictive placement setting” was changed from a point in time count of children in family foster homes to the total percent of care days during the fiscal year to date spent in family foster homes. Family foster homes include non-relative and relative verified foster homes. This outcome better reflects children’s experience in paid foster care.
2. The indicator for “children/youth have stability in foster care” was changed from the percent of children with two or fewer foster care placements over two fiscal years to the rate of foster care placements per child during a single fiscal year. The measure is similar to a state measure that produces a rate of all substitute care placements per child (includes unpaid placements). The new calculation will better reflect the number of children with a single placement count. The measure also captures efforts to stabilize placement for a child who already has many placements, given that all placements are counted.

Additionally, improvements were made to coding for some measures, resulting in slight adjustments to historical data when compared to previous reports.

## Evaluation of Foster Care Redesign

Evaluation of FCR is on-going to support Continuous Quality Improvement (CQI) and includes both process and outcome components. DFPS and the Public Provider Partnership (PPP) that continues as the guiding body for Community Based Care, define the key elements to be evaluated. Process and outcome evaluation findings help determine whether these elements are being implemented with fidelity to the model and are yielding the desired outcomes. DFPS uses findings to assist in assessing performance, trends, changes, and any problems and issues in the redesign catchment areas.

Article II, Rider 21, 85<sup>th</sup> Legislative Session requires the use of an independent evaluator to complete a process evaluation of the rollout and implementation of Community Based Care in each established catchment area. The process evaluation will help DFPS address initial operations, implementation and service delivery issues and make adjustments prior to successive roll out of Community Based Care in new geographic areas. DFPS is procuring for an independent entity to conduct the evaluation.

Outcome evaluation includes measuring both contract performance and system change. In addition to the performance measures in this Rider report, DFPS continues to work with Chapin Hall of the University of Chicago to provide an independent data analysis of each SSCC’s performance on paid care days which will become the basis for incentive payments once the SSCC gains control over permanency

outcomes. Chapin Hall will help DFPS test the logic model for Community Based Care which continues to hypothesize that placing children in least restrictive settings in their home communities, and now transferring all case management services to contractors, will yield improved permanency outcomes.

### Process Component

The initial process evaluation for Region 3b was conducted in the fall of 2014<sup>ii</sup>. Areas of focus that emerged for continuous quality improvements included payment, data, and information technology.

Area of Focus	Ongoing Challenges	Identified Solutions
Payment	<ul style="list-style-type: none"> <li>• Addressing case mix changes, currently the increase in the proportion of children and youth needing high end services beyond anticipated growth</li> <li>• Appendix D-F shows the anticipated increase in expenditures in AY18 compared AY17 with the advent into Community Based Care.</li> </ul>	<ul style="list-style-type: none"> <li>• Implemented temporary measures to address case mix changes</li> <li>• PPP Fiscal Matters workgroup convened to provide input for:               <ul style="list-style-type: none"> <li>○ A new process to adjust the blended and exceptional care rates</li> <li>○ A risk sharing strategy</li> <li>○ Opportunities to study and review current rate setting methodologies</li> </ul> </li> </ul>
Data	<ul style="list-style-type: none"> <li>• Disentangling SSCC performance from the performance of the legacy system during the time of transition</li> <li>• Disentangling SSCC performance from changes in case mix.</li> <li>• Lag in Data Entry</li> <li>• Accuracy of data entry</li> <li>• Reconciling counts and data definitions across multiple systems</li> <li>• Refining methods for baseline calculation</li> </ul>	<ul style="list-style-type: none"> <li>• Recalibration of performance measures to more accurately capture desired outcomes</li> <li>• Adjusting baseline targets</li> <li>• Data reconciliation processes</li> <li>• Mechanism for data governance to support common data definitions and terms</li> <li>• Address lag in entry through improved tracking, training and IT system changes</li> </ul>
Information Technology Compatibility	<ul style="list-style-type: none"> <li>• Federal SACWIS rules previously did not support interoperability of systems without human intervention</li> <li>• IMPACT entry requires SSCC manual data entry of information, which results in duplication of effort and time lag</li> <li>• Technology and process changes needed to authorize and make timely payments to the SSCC for purchased services provided for families in Stage 2. Involves some changes to service codes to enable more flexibility under a performance-based contract.</li> </ul>	<ul style="list-style-type: none"> <li>• Federal rule changes to support interoperability through CCWIS</li> <li>• Establish stakeholder workgroup to explore best manner to proceed with building interoperable systems</li> <li>• Internal work with Budget and IT completed in February 2017 to develop and test automated billing solution. New automation to go live in IMPACT once SSCC begins coordinating and providing services to family members. SSCC to produce reports on service utilization.</li> </ul>

### Outcome Component

The primary goal of Community-Based Care in Stage I is to build residential child care capacity to meet local needs. Although sufficient outcome data is not expected until an SSCC has fully implemented all stages of the model, changes to service provision may be seen earlier. As described in the logic model, results that would indicate that the redesign is working in Stage I include:

- Increased foster care capacity in catchment area
- Appropriate services provided in locations needed
- Creative/innovative service provision and/or expansion in type and number of available services
- Improvement in quality of care

OCOK has implemented the following system improvements:

System Improvement	Description
Increased placement and service capacity	<ul style="list-style-type: none"> <li>• OCOK continues to develop targeted capacity to fill gaps in local capacity. OCOK’s local continuum of care development recently took a significant step forward with the establishment of Region 3b’s first residential treatment center (RTC). The new treatment center, operated by VisionQuest, opened in December 2017, providing 13 beds for Region 3b youth who require a highly structured, therapeutic environment. ACH Child and Family Services is working to develop a second RTC in Region 3b with an additional 20 beds to become available within the next 12 months.</li> <li>• Cook Children’s Hospital has opened a new clinic dedicated to children in foster care in Region 3b, staffed by medical professionals who specialize in childhood trauma. This collaboration emerged from OCOK’s efforts to address the challenges associated with securing timely medical care for foster children. By providing streamlined care specifically geared toward foster care, the new clinic will significantly improve Region 3b’s capacity to meet the medical needs of foster children.</li> </ul>
Implemented placement matching system	<ul style="list-style-type: none"> <li>• OCOK uses specialized software to quickly identify and rank placement options for children, matching children and sibling groups with the closest, best possible foster home based on the child’s specific needs. This technology allows OCOK to manage an inventory of homes across numerous CPA providers.</li> </ul>
Network information exchange	<ul style="list-style-type: none"> <li>• The Provider Information Exchange (PIX), developed by Five Points, Inc. combines different data sources in one seamless process that uniquely identify resources and children in care, integrated with state systems.</li> </ul>
Interoperability	<ul style="list-style-type: none"> <li>• OCOK and DFPS have made significant strides in achieving interoperable data systems, allowing data from IMPACT and SSCC systems to transfer without requiring duplicate data entry. New technical processes have been established allowing the SSCC the capability to upload data to support operations for Stage II (now Community Based Care) of the SSCC contract (i.e., paid family service data). This is a meaningful milestone because it represents the first time a SACWIS state has supported the ability for a private entity to upload data.</li> </ul>

System Improvement	Description
Quality Parenting Initiative	<ul style="list-style-type: none"> <li>The Quality Parenting Initiative (QPI) is one of the OCOK approaches to strengthening the quality of care provided to children and youth living in foster care. The goal of QPI is to develop a systematic approach to recruiting and retraining high-quality caregivers in our community. This initiative has proven to be effective in improving the quality of care for children in foster care by redefining the expectations and roles of caregivers and child welfare system in excellent parenting.</li> </ul>
Child and Adolescent Needs and Strengths (CANS) assessment	<ul style="list-style-type: none"> <li>OCOK uses the CANS assessment to gather standardized clinical information on children to inform service plans, support placement decisions and track clinical progress. The CANS is administered for every child over age 3 entering care and every 90 days for children in treatment settings. Aggregate data analysis will help OCOK develop the specific services and placement capacity to meet the needs of local children, and assess whether these efforts are effective.</li> </ul>
Comprehensive safety audits in 100% of the OCOK network child placing agencies	<ul style="list-style-type: none"> <li>OCOK implemented comprehensive risk management audits within its provider network, utilizing Praesidium's 'Know Your Score' framework. Safety practices were enhanced in all measured domains, including policies, staff screening and selection, training, monitoring and supervision and administrative practices.</li> </ul>
Performance-based Contracting and Continuous Quality Improvement	<ul style="list-style-type: none"> <li>OCOK rolled out its first round of Provider Performance Reports, a comprehensive assessment of each Child Placing Agency's (CPA) performance during the quarter. The assessment pulls together all available data, including safety audits, capacity development, responsiveness to intake calls, monitoring results and many more data points. OCOK leadership meets individually with each CPA to review their organization's performance in comparison with network averages to drive continuous quality improvement. High performing agencies are rewarded with a higher daily rate; low performing organizations are put on notice to improve their performance or risk the loss of their OCOK contract. This represents an important step in the development of performance-based contracting in Texas child welfare.</li> </ul>

## Outcome performance for fiscal year 2018 quarter 1:

Outcome	Description
Child safety	<ul style="list-style-type: none"> <li>99.9% of children from 3b were safe in their foster care placements during the quarter. This is consistent with child safety statewide.</li> </ul>
Placement stability	<ul style="list-style-type: none"> <li>Performance improved from 1.55 placements per child in fiscal year 2016 to 1.50 placements per child in fiscal year 2017. First quarter performance for fiscal year 2018 is 1.17. (See Section B of Attachment to Report) Increased stability of foster home placements is having a positive impact.</li> <li>The fiscal year 2017 performance remains above the baseline (1.46 in fiscal year 2014).</li> </ul>
Placement in least restrictive family foster home settings	<ul style="list-style-type: none"> <li>78.4% of all paid foster care days for children served by the SSCC were in a foster family or kinship foster home during the quarter. This is an increase from prior fiscal years and exceeds pre-redesign performance (76% in fiscal year 2014).</li> <li>The statewide “non-CBC” population trend also shows improvement in time spent by children in least restrictive settings (71.5% in fiscal year 2014 to 79.2% in fiscal year 2018, quarter 1). (See Section B of Attachment to Report)</li> </ul>
Placement proximity	<ul style="list-style-type: none"> <li>Proximity is measured by the percent of placements within 50 miles of home of removal on the last day of a performance period. Data for this measure is produced every six months by Chapin Hall.</li> <li>OCOK achieved proximity for 75.3% of children in fiscal year 2015 and 74.3% in fiscal year 2016. Performance declined to 72.8% of children in fiscal year 2017, closer to pre-redesign performance (72.4% in fiscal year 2014).</li> <li>Placement close to home has increased for children in foster homes in 3B (87.4% in fiscal year 2017) while more children in other placement types, which includes shelters and residential treatment centers are placed farther from home (26.2% within 50 miles) according to additional data produced on the measure, as compared to historical performance.</li> <li>The state “non-redesign” population of children placed within 50 miles has remained steady (62.9% in fiscal year 2014 to 61.9% in fiscal year 2017). (See Section B of Attachment to Report)</li> </ul>
All siblings placed together	<ul style="list-style-type: none"> <li>OCOK performance remained steady at 64.4% of sibling groups placed together at the end of the quarter compared to 64% in fiscal year 2017. This is an improvement since fiscal year 2015 (58.8%) but is below pre-redesign performance (65.2% in fiscal year 2014).</li> <li>State “non-redesign” performance has declined since FY14 (64.9%), now holding steady at about 61.8% (See Section B of Attachment to Report)</li> </ul>
Youth are prepared for successful adulthood	<ul style="list-style-type: none"> <li>95.9% of youth in an SSCC foster care placement turning 18 in fiscal year 2017 completed PAL Life Skills Training compared to 85.5% in fiscal year 2016. First quarter performance for fiscal year 2018 (84.2%) is a marked decrease.</li> </ul>



Outcome	Description
	<ul style="list-style-type: none"> <li>• Statewide “non-redesign” PAL completion is increasing at 93.3% for the first quarter of fiscal year 2018.</li> <li>• OCOK has continued to see success in the number of youth age 16 and older who have driver’s licenses or state identification cards at 52.9% of youth. The number of youth age 16 and older who have a regular job increased to 49%, for those reporting. (See Section B of Attachment to Report)</li> </ul>

This data set represents entry into the fourth year of performance of the 3B SSCC in Stage I. Performance progress is assessed over the course of the contract in comparison to historic baseline as well as in comparison to simultaneous statewide trends. DFPS uses a continuous quality improvement approach that includes formal processes for addressing performance issues. As part of this process, DFPS has worked with OCOK to execute quality improvement plans to address performance concerns related to the outcomes for placement of sibling groups together in care and placement stability. Quality improvement plans seek to better understand factors driving performance and develop action steps to address recognized issues and concerns. DFPS will continue to require performance improvement plans where trends show decreased performance. DFPS and OCOK continue to work together on continuous improvement to understand how the redesign model, and unique 3b SSCC service delivery model, impact performance measures, and the break-down of performance data needed (such as details on age, time in foster care, and living arrangement) to understand performance and help establish baseline expectations.

<sup>i</sup> DFPS Legacy Children 2-9-3b Weekly Data Report as of December 2, 2017; Agency Data Warehouse - Substitute Care Data Mart, Report Number: fps\_sa\_19s, as of December 2, 2017.

<sup>ii</sup> Progress Report: Foster Care Redesign In Texas Region 3B, July 2016