**State of Vermont**
**Agency of Human Services**

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# MEMO

**To:** State House Appropriations Committee Chair, Mitzi Johnson
**From:** Integrating Family Services Management Team: Susan Bartlett, Carol Maloney and Cheryle Bilodeau
**Date:** January 18, 2016
**Subject:** Strategic Investments in Franklin and Grand Isle Region

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**Context:**
Over the past several years Franklin/Grand Isle community has been disproportionately impacted by the following phenomena that the entire state is struggling with:

- Children in state custody (especially children under age 6)
- Children and youth in out of area residential placement (especially children under age 8)
- Adolescent substance abuse
- Parental opiate addiction

The unique challenges a rural area like F/GI faces when dealing with the scale and scope of these urban and suburban issues is testing all the service systems. To respond to these pressures, the community has been engaged in dialogues with state partners and is working towards several priority investments. These priorities are directly tied to the AHS Strategic Plan goal of *reducing the number of children/youth in residential treatment settings through increasing community and family supports in local regions so more children and youth are placed in family settings in their community.*

**The Funding:**
The IFS grants (there are three IFS grants-one in Franklin/Grand Isle and two in Addison—all with the same fiscal language in their grants) pull together over twenty previously separate services (programs) funded by a combination of traditional Medicaid and Global Commitment Investments. The traditional Medicaid portion was previously funded under children's mental health and paid out in fee-for-service methodology. The IFS grants changed the payment methodology to a case rate payment system – allowing the grantees to draw down the equivalent of a full month's allocation for each client with a minimal Medicaid service "hit." This new payment structure reduces administrative burden on direct staff and provides tremendous service flexibility. While increasing the flexibility and shifting the focus from counting service units to client outcomes, the IFS grants require a year-end budget reconciliation – assessing costs and revenue for services under the IFS grants.

As stipulated in the IFS grants, NCSS is carrying unspent IFS revenue as deferred revenue (categorized in their balance sheet as a liability). These funds were drawn down over a fifteen month period (April 1, 2014 through June 30, 2015) under a new case rate funding methodology we are testing out in IFS, and the account balance is **almost $1.2 million**. AHS has agreed to allow NCSS to retain approximately ½ of those funds for local investments to help address the pressing issues described above. IFS and local AHS staff are working closely with NCSS and Vermont Care Partners to identify a mutually satisfactory resolution to the recoupment issue.

The balance, carried as deferred revenue on NCSS' books, and totaling almost $600,000, will be invested consistent with the following set of priorities.

**Priority investments:**

**I. Increase Specialized Community Placements**

Capacity for short-term intensive assessments for children of all ages – currently children needing intensive behavioral assessments are ending up in expensive, out of state facilities where they are disconnected from family, peers, school, and a natural environment.

1. Increase in the number of therapeutic foster homes
    a. The significant increases over the past several years in children being sent to distant residential facilities because of the lack of appropriate and specialized supports in the community is a critical statewide issue.
    b. Long before children end up in residential care families and caregivers are asking for supports the community does not have available for them.
    c. The availability of a few specialized, trained, adequately compensated and supported therapeutic foster homes could significantly reduce the reliance on out of state residential beds, and improve outcomes for children who need intensive supports.

**II. Crisis Services for Caregivers and Foster Care Providers**

1. Have multiple levels of crisis supports available (phone, in-person)
    a. Through many conversations both internal to AHS and with community partners we need to create a more robust system of crisis supports for families and caregivers.
    b. Evening and weekend supports will help keep children safe, support families and care givers who are overwhelmed, afraid, and confused about how to de-escalate crisis situations.

**III. Respite Supports**

1. For Caregivers to prevent children from coming into DCF custody
    a. This low cost and critical service will be a core component of the plan to reduce state custody, residential care, and other high end services.
2. For foster parents so they are supported and do not become overwhelmed, which leads to children needing to be moved.
    a. Placement stability, whether that means keeping children in their home with parents, other care givers, or foster families, is critical to helping children succeed in their community.

**IV. Enhanced Integrated Teaming**

1. A multi-generational approach targeting AHS' most vulnerable, complex and multi-service families.
2. Resources will be used for coordination/facilitation, concrete supports for families, and communication with team members.
    a. Priority will go to those families receiving Reach Up and are under a court-ordered conditional custody order.
    b. Families with children receiving services under IDEA Part C will be prioritized.
    c. Substance abuse, mental health, probation, chronic medical conditions, and other AHS funded service needs will be integrated.
    d. Team meetings will be facilitated by a trained neutral facilitator.

e. The multiple plans (e.g., family safety plan for Family Services, Reach Up's family development plan, early childhood "One Plan", probation plan, substance/mental health treatment plan) a family is expected to track and manage will be integrated and components of each plan will be prioritized and each team member and family support person will work in a closely coordinated way to assure family success.
f. Family Engagement resources will be deployed to provide peer support and system navigation.
g. Concrete supports to allow families to fully participate in the team meetings and components of their plan(s) will be made available to the families.

These priority areas are also being discussed in Addison County with one of the IFS grantees, CSAC (The Counseling Service of Addison County); they also collaborating with the state to determine how to most effectively invest their deferred revenue in their local community. CSAC has one year (from their first year of IFS) of deferred revenue. The state is committed to working closely with both of our IFS grantees with deferred revenue to turn the curve on the number of children and youth in residential settings.