

Nebraska Children's Commission – Foster Care Reimbursement Rate Committee

Seventh Meeting

May 6, 2014

1:00PM-4:00PM

Country Inn and Suites, Lighthouse Room
5353 North 27th Street, Lincoln, NE 68521

Call to Order

Peg Harriott called the meeting to order at 1:04pm and noted that the Open Meetings Act information was posted in the room as required by state law.

Roll Call

Subcommittee Members present: Peg Harriott, Leigh Esau (1:07 p.m.), Bobby Loud (1:42 p.m.), Jackie Meyer, David Newell, Barb Nissen, Alana Pearson, Bev Stutzman, Ryan Suhr, and Lana Temple-Plotz (1:07p.m.).

Ex-Officio Members present: Michele Anderson (1:28p.m.), Jeanne Brandner, Lindy Bryceson, Karen Knapp, Thomas Pristow, and Nanette Simmons.

Subcommittee Member(s) absent: Corrie Edwards, Susan Henrie, and Sherry Moore.

Ex-Officio Members absent: Debbie Silverman

Also attending: Bethany Connor and Leesa Sorensen from the Nebraska Children's Commission; and Anna Eickholt, Legislative Aide to Senator Annette Dubas.

Approval of Agenda

Peg solicited thoughts on where in the agenda public comments would be most effective. Dave Newell suggested in the beginning, before any votes on substantive recommendations are taken. Thomas Pristow requested a chance to lay out his methodology before comments are taken.

A motion was made by David Newell to approve the agenda with the revision that the Public Comment period be moved prior to the Recommendations to the Children's Commission regarding Foster Parent Rates. The motion was seconded by Ryan Suhr. Voting yes: Peg Harriott, Jackie Meyer, David Newell, Barb Nissen, Alana Pearson, Bev Stutzman, Ryan Suhr, and Lana Temple-Plotz. Voting no: none. Corrie Edwards, Leigh Esau, Susan Henrie, Bobby Loud, and Sherry Moore were absent. Motion carried.

Approval of April 1, 2014 Minutes

Due to a technical error, approval of the April 1, 2014 minutes was moved to the next Foster Care Reimbursement Rate Committee meeting.

Chair's Report

Peg Harriott informed the committee that applications for membership to fill the open committee positions would be reviewed with a goal of having position appointments for the May Children's Commission meeting. Peg also addressed an e-mail that was received after the April 1, 2014, meeting raising concerns that decisions impacting the committee were being discussed and voted on without the full committee being present. Peg noted that many of the committee members were involved in a variety of industry groups such as FFTA, CAFCON, or the Director's meeting with Thomas Pristow, that were also discussing the impact of foster care rates. Peg clarified that she is not aware of any vote-setting outside of the meeting and asked for members to comment if they wanted to discuss the issue further. No further comment was made.

Standardized Level of Care Work Group

Lana Temple-Plotz provided an updated Nebraska Caregiver Responsibilities (NCR) document. The Level of Care work group noted changes to the original document in red. The group added some information to the tool, including when the last assessment occurred, what type of assessment was happening, additional definitions, and further clarification on the responsibilities of foster parents, a summary of the levels of parenting and a scoring sheet. The updates to the tool were made to help with data collection and to clarify how the tool should be utilized. The work group also provided the scoring document for use with the tool. The work group was recommending that Level of Care 1 (Medical/Physical health and well-being; Level of Care 3 (Supervision/Structure/Behavioral & Emotional); and Level of Care 7 (Placement Stability) should be weighted for scoring purposes.

The groups other recommendations were provided in the minutes from the April 1, 2014, Level of Care work group meeting. These final recommendations involved a lengthy discussion of parenting levels and corresponding rates. Dave Newell commented that he would be unable to vote to advance the tool without the rates being set. Jeanne Bradner noted that probation does not contract through DHHS, and won't necessarily utilize the rates. Thomas Pristow stated his support for the LOC rates the group created.

DHHS Update

Thomas Pristow and Nannette Simmons provided a presentation on the agency supported foster care rate structure that DHHS was proposing. The presentation provided background of the issues DHHS considered when setting the rates and the financial information that was used. The presentation detailed the calculations that were used by DHHS to establish the proposed agency supported foster care rates. A handout was also provided with the DHHS Daily Rate Structure that was being proposed effective July 1, 2014. The committee asked a variety of question and expressed concern that the rate was calculated incorrectly and would result in substantial financial shortfalls for foster care agencies.

Thomas Pristow remarked that there had been a lack of “source documents” in setting the administrative rates, and after reviewing providers’ administrative rates, saw that the spread was between six and sixty percent. Related to the corrective action plan for the IV-E waiver money, the department must show “substantial progress” in correcting the problems.

Caseloads

DHHS looked at the number of children in Out-of-Home placement in 2013. This number totaled 418,850 children. The department then divided the number of children in out of home placements to arrive at the estimated daily population in out of home care $\{418,850/365 = 1,147\}$.

This number was then converted into caseloads to determine how many Foster Care Specialists would be necessary to maintain caseloads for the children in out of home care.

Essential caseload (ratio workers to children):	1:24
Enhanced Caseload (ration workers to children):	1:20
Intensive caseload (ration workers to children):	1:16

The supervisor to staff ratio is 1:8, one supervisor to every eight staff members.

A member asked about mixed caseloads, Dave Newell stated that many systems use “point systems” where each month caseloads change, and factor in the amount of times the caseworker sees the child. Lana questioned whether the ratios are staff to youth or how many times the staff member visits the youth, DHHS replied that the ratio is staff member to child. Lana remarked that the assumption must be that the staff members only visit each child once a month. DHHS did not respond to this statement. Jackie stated that this system will result in moving children from worker to worker to decrease caseload. DHHS responded that many things go into this factor. Dave remarked that when someone reaches the cap, you have to stop assigning children to them. Jackie replied that she is unable to do that at her organization. Dave questioned whether DHHS consulted national caseload standards. Lana added that the accreditation standards for her organization are 1:16 youth, so a 1:24 will not work.

Basis for Administrative Rate

Ryan then asked DHHS what the percentages of the administrative rate are based on. DHHS responded that they are based on the average rate. Ryan repeated his question, asking what the percent is based on. DHHS responded that it is an average, as they do not know what age range the population will be or what the cost will be. Ryan then clarified his question, and asked why DHHS is suggesting that 45% of the payment will be the administrative cost.

The issue of whether the administrative rates are based on age or intensity was then raised. In the “DHHS Daily Rate Structure” on one graph it appears that the Administrative rate is based on age, and on the second it appears that the administrative rate was based on intensity. Lana asked why the rates change based on age. Thomas responded that the rates change based on intensity, and they change based on what agencies are asked to do.

Essential daily rate payments are 45% of the average daily essential maintenance payment. Enhanced and Intensive daily rate payments are 40% of the average maintenance payments. Lana pointed out that the higher the intensity of care, the lower the rate. Director Pristow responded that the agencies receive more money for higher intensity kids. Lana agreed, but reiterated that the rate is lower, as the administrative payment is a lower percentage of the maintenance payments. Thomas responded that he can adjust the formula so that the higher the intensity, the higher the administrative rate.

Indirect Rate

Peg then questioned what is covered by the indirect rate. DHHS responded that there is a category for Licensing Training and Recruitment specialist positions. Peg questioned what the expectations are for licensing staff. DHHS responded that the requirement is 6.5 homes average per month per licensing staff member.

Source Documents

Ryan questioned the use of old numbers when the maintenance has been increased. DHHS responded that the way these numbers are set up is how it should have been set up years ago. Ryan responded that DHHS is not looking at the numbers from 2013. DHHS responded that they are giving providers the maintenance. Ryan stated that DHHS needs to look at how much was being paid to foster parents. DHHS responded that they are unaware of how much providers paid their foster parents. Thomas stated that the source documents showing how much providers paid was not provided to DHHS. Lana asked how rates were set if source documents were not used in the setting of the rates. Director Pristow stated that they needed to start somewhere.

Lana clarified her concerns with the process. Her concern is the way in which the administrative support rates have been determined. FFTA wrote a letter with percentages and provided the same information to the Casey consultants. Lana noted that these rates are half of that amount. She struggles to understand how the agency will be able to maintain the level of support from the Children's Home Society that has been provided for 120 years. The foster parents will get more money, but they will get less support and will suffer for it.

Spread in Administrative Rate

Thomas stated that the spread in administrative rates is ridiculously inappropriate. Dave clarified that he sees two issues, the unbundling and the amount of money. Jackie stated that the rates do not cover anything, and she does not know if she can stay in business. Leigh Essau asked that the focus return to the children. If the agencies are not supported, incompetent workers will be hired, and there will be a bigger mess than we started with. Thomas Pristow stated that people need to work with the department, the IV-E corrections need to go into effect, and substantial progress needs to be made.

Ryan and Dave made comments on the legislative intent of LB5230, that is was to not reduce foster parent rates and not to change the rates at the expense of the agencies. Peg made a comment that the "spread" may be due to the muddying of definitions. When FFTA got providers around the table, there was not a significant spread, and this was due to clarity in the definition of the terms used. There may be some lack of clarity in administrative rates that have led to the appearance of a very large spread.

Public Comment

Jim Blue

Jim stated that the ultimate consequences of this is that Cedars will have \$250,000 in funding to the foster parents that is not funded, and the administrative rates are a cut of \$550,000, resulting in a \$800,000 cut to Cedars that will reveal itself in the interaction between workers, parents, and children. He credited Thomas Pristow and CFS staff with the recovery of the system, but stated that these rates would be devastating to the system. He further stated that the 60% administrative rate is most likely in a very small town where the director does most of the work and there is less staff to spread work around.

Kathy Grohs

Cathy is a foster parent for seven kids and a community liaison for Apex. The parents there stated that they would be unable to serve their kids without the service and support of the agency. Others stated that they stay with Apex because they are a family and not a docket number. Specialists give foster youth all the support they need.

Gregg Nichols

Gregg represented Christian Heritage and supplied members with a paper showing 22 different providers around the state and their payments from the Department. Christian heritage ranks third in funding from the Department, and they service 181 kids in foster care currently. This rate change would reduce them from payment of 1.7 million to 784,000, representing a 947,000 cut.

Jodi Austin

Jodi stated that KVC supports paying foster parents the highest amount possible, and KVC foster parents are the highest paid foster parents in Nebraska. They would be unable to continue this if these rates were put into effect.

Peg then closed the public comment time. Dave shared some information with the committee, including the fiscal impact of the proposed rates on NFC providers. The change in administrative and support rates would be over two million per year. Dave also provided excerpts from LB530.

It was noted that as of May 6 there are 55 days until the July 1 implementation date. Thomas indicated that DHHS would recalculate the rates and would work with a sub-committee to negotiate another proposal on rates.

Recommendations to Children's Commission regarding Foster Parent Rates

NCR Tool – Recommendation E

The committee reviewed the draft recommendations document to determine if there were other recommendations that could be finalized. The group started with recommendation E. Lana Temple-Plotz made a motion to approve recommendation E. The motion was seconded by Bobby Loud. During discussion, Dave voiced a concern that the rates cannot be separated out. The rates based on age do have to go into effect, but stakeholders need to be left in a position to move into negotiations. Ryan suggested moving forward recommendations upon the approval of

the Nebraska Children’s Commission approving the Level of Care rates. Lana agreed to amend her motion to approve recommendation E with a friendly amendment of conditioning the recommendation on the Nebraska Children’s Commission’s approval of the LOC rates. Voting yes: Peg Harriott, Leigh Esau, Bobby Loud, David Newell, Barb Nissen, Alana Pearson, Ryan Suhr, and Lana Temple-Plotz. Voting no: none. Bev Stutzman abstained. Corrie Edwards, Susan Henrie, Jackie Meyer, and Sherry Moore were absent. Motion carried.

“Grandfathering” (Recommendation I)

Recommendation I had been approved by vote in a previous meeting, however the group did vote to remove the word “Probation” from the item. David Newell made a motion to strike “Probation” from recommendation I. The motion was seconded by Leigh Esau. Voting yes: Peg Harriott, Leigh Esau, Bobby Loud, David Newell, Barb Nissen, Alana Pearson, Bev Stutzman, and Lana Temple-Plotz. Voting no: none. Ryan Suhr abstained. Corrie Edwards, Susan Henrie, Jackie Meyer, and Sherry Moore were absent. Motion carried.

Respite (Recommendation J)

The LOC work group found that it is difficult to get to the definition of respite. The committee table further discussion on this issue and asked the LOC work group to work on the definition.

Transportation Costs (Recommendation K)

DHHS asked for additional time to work on transportation rates.

Training, Quality Assurance, and Communication Plan (Recommendation L)

Bobby Loud made a motion to strike “Probation” from recommendation L. The motion was seconded by Lana Temple-Plotz. During discussion, it was suggested that recommendation L also need the language “upon the approval of the Nebraska Children’s Commission approving the Level of Care rates”. Bobby and Lana agreed to the friendly amendment. Voting yes: Peg Harriott, Leigh Esau, Bobby Loud, Jackie Meyer, David Newell, Barb Nissen, Alana Pearson, Ryan Suhr, and Lana Temple-Plotz. Voting no: none. Bev Stutzman abstained. Corrie Edwards, Susan Henrie, and Sherry Moore were absent. Motion carried.

No Maximum Established (Recommendation M)

Bobby Loud made a motion to strike “Probation” from recommendation M. The motion was seconded by Lana Temple-Plotz. Voting yes: Peg Harriott, Leigh Esau, Bobby Loud, Jackie Meyer, David Newell, Alana Pearson, Bev Stutzman, Ryan Suhr, and Lana Temple-Plotz. Voting no: none. Barb Nissen abstained. Corrie Edwards, Susan Henrie, and Sherry Moore were absent. Motion carried.

“Unbundle” Rate Plan (Recommendation N)

David Newell made a motion to approve recommendation N as written. The motion was seconded by Ryan Suhr. Voting yes: Peg Harriott, Leigh Esau, Bobby Loud, Jackie Meyer, David Newell, Alana Pearson, Ryan Suhr, and Lana Temple-Plotz. Voting no: none. Barb Nissen and Bev Stutzman abstained. Corrie Edwards, Susan Henrie, and Sherry Moore were absent. Motion carried.

Reporting Requirement (Recommendation O)

Bobby Loud made a motion to strike “Probation” from recommendation O and approve the recommendation upon the approval of the Nebraska Children’s Commission approving the Level of Care rates. The motion was seconded by Lana Temple-Plotz. Voting yes: Peg Harriott, Bobby Loud, Jackie Meyer, David Newell, Barb Nissen, Alana Pearson, Ryan Suhr, and Lana Temple-Plotz. Voting no: none. Leigh Esau and Bev Stutzman abstained. Corrie Edwards, Susan Henrie, and Sherry Moore were absent. Motion carried.

The committee agreed to review the final recommendations at the next meeting after the new proposed rates have been negotiated with DHHS on the administrative rates.

New Business

None.

Next Meeting Date

The next meeting is scheduled for May 16, 2014 from 1:00p.m. to 4:00p.m.

Adjourn

A motion was made by Ryan Suhr to adjourn the meeting, seconded by Bobby Loud. The meeting adjourned at 3:03 p.m.