

# BRIDGE TO INDEPENDENCE FINANCE AND POLICY WORKGROUP UPDATE AND RECOMMENDATIONS

December 2017

## FINANCE AND POLICY WORKGROUP

The Bridge to Independence (B2i) Program was created to support young adults exiting the child welfare system without permanency to reach their goals. The Finance and Policy Workgroup (“Workgroup”) has reconvened to examine the program and make recommendations to support the continued sustainability of the program, and ensure that young adults who have aged out of foster care without achieving permanency are able to access the needed supports and services. The Workgroup created the below eight recommendations to coordinate and eliminate duplication of services, and begin to examine potential changes to eligibility and eligibility categories.

## DUPLICATIVE SERVICES FOR YOUNG ADULTS ENROLLED IN THE B2I PROGRAM

### YOUNG ADULTS RECEIVING HOME AND COMMUNITY BASED SERVICES (HCBS) WAIVER FUNDING AND SERVICES

The Workgroup strongly believes that all young adults deserve the support they need to transition to a healthy and successful adulthood. When a young adult has a need for developmental disability services, they need highly individualized services to help them live their best lives. This is especially true when the young adult has also aged out of the child welfare system without permanency or family connections and is in need of developmental disability services. The Workgroup seriously and thoroughly considered the needs of this population and the structure of the Bridge to Independence and Home and Community Based Services (HCBS) Waiver programs, and created the two recommendations below:

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### IMPACT OF B2I PAYMENTS FOR FORMER WARDS WITH DEVELOPMENTAL DISABILITIES

The Workgroup reviewed the following information, prepared by Legislative Fiscal Analyst Liz Hruska:

*Persons residing in a licensed center for the developmentally disabled are only allowed to retain \$60 a month. The balance of their income offsets the cost of their care. Bridge to Independence payments are either General funds or a combination of General funds and IV-E. For former wards with developmental disabilities covered by Medicaid, the amount above \$60 would offset costs at approximately 47% General and 53% federal. If the Bridge payment is from General Funds only, 53% offsets the federal Medicaid payment. If the payment is from General and IV-E funds, there is a net zero impact, i.e. the fund source for the B2i payment is the same as the Medicaid. Additionally, the young adult should qualify for Social Security benefits which is also applied to offset Medicaid General and federal costs. [Neb. Rev. Stat. §68-1006.01]*

Based on this information, the Workgroup offers the below recommendation for the consideration of the B2i Advisory Committee:

**Recommendation 1: Young Adults enrolled in the Bridge to Independence program and whose residence is paid for by Medicaid under a HCBS Waiver will not receive a Bridge to Independence stipend.**

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#### SERVICE COORDINATION FOR FORMER WARDS RECEIVING HCBS WAIVER SERVICES

The Workgroup additionally reviewed the attached Bridge to Independence and Comprehensive Developmental Disability Waiver Walk Through to consider and compare the services and case management provided by each program. Although there may be duplicative or overlapping services between the two programs, they have very different purposes and goals for the young adult enrolled. Additionally, services under each program are highly individualized; so many young adults need the unique services and benefits that are available from both programs. With the understanding that each individual will have different case management services, the workgroup recommends the following:

**Recommendation 2: Young adults who are receiving services paid for by Medicaid under a HCBS waiver will receive coordinated case management across the programs. A structured process will be developed to ensure these young adults access the needed services. An assessment will be undertaken to understand the needs of the young adult. A plan will be created based on this assessment to ensure access to needed services and case management without any duplicative services.**

#### MITIGATING THE “CLIFF EFFECT” AND ELIMINATING DUPLICATION IN PUBLIC BENEFITS

It is essential that young adults receive the services they need to build a strong and stable foundation for adulthood. The B2i program exists to provide this foundation for young adults who are without families or a support network. The 2017 Annual Report of the B2i Advisory Committee noted concerns regarding the “cliff effect” that may occur when the youth exits the B2i Program at age 21. The cliff effect can be especially destabilizing when a young adult is receiving other necessary benefits and services that may be impacted by the B2i stipend or asset limitations if the young adult has tried to begin building a safety net by investing or saving their B2i stipend money. The Workgroup agrees that these issues can be mitigated through case management, thoughtful use of existing programs, and providing information to young adults about available benefits and services.

**Recommendation 3: Young Adults receive assistance in navigating existing public benefits programs to meet their needs and prevent duplication of services, including information about the impact of B2i stipends on program eligibility and assistance opening savings accounts that protect the money they save from their Bridge to Independence stipend, including the possibility of opening an Individual Development Account (IDA).**

**Recommendation 4: Incentivize savings and mitigate the cliff effect by connecting young adults to savings matching programs, protected savings accounts, and Individual Development Accounts.**

## YOUNG ADULTS RECEIVING THE MINOR DEPENDENT STIPEND

The 2017 Annual report of the B2i Advisory Committee identified the need to coordinate services and eliminate the duplication of services for young adults who are parenting. The B2i Advisory Committee set a goal to explore the structure of B2i stipends for pregnant and parenting young adults who also receive TANF funds to best support Nebraska's families and reduce the "cliff effect" when young adults leave the B2i Program. The Workgroup recognizes that families need additional support and this support must be coordinated to achieve maximum benefit so that all young adults and children can reach their full potential. At this time, young adults may be receiving the B2i stipend for themselves, additional stipends for each minor dependent, as well as TANF funding if eligible.

The current Bridge to Independence stipend and dependence child stipend are based on Nebraska's foster care maintenance payments and are set by DHHS. This stipend amount is currently under the consideration of DHHS to recognize the current General Funds shortfall, to remain in line with other Nebraska support programs, and reflect best practices identified by other states. DHHS has indicated its current recommendation is the following: *Adjust the amount of the Minor Dependent Stipend to be in line with the TANF rate based on household size. A six month step down will be implemented for young adults receiving the stipend at its current amount.*

The group supports a careful analysis of the stipend amount and has identified the Foster Care Reimbursement Rate Committee of the Nebraska Children's Commission as the appropriate body to make this determination.

**Recommendation 5: The Workgroup requests that the Nebraska Children's Commission tasks the Foster Care Reimbursement Rate Committee to develop a recommendation for the minimum adequate rate for a maintenance payment for young adults in the Bridge to Independence program who are parenting (a) minor child(ren) consistent with state and federal requirements.**

## CHANGES TO ELIGIBILITY AND ELIGIBILITY CATEGORIES

### YOUNG ADULTS WHO ARE INCAPABLE OF PARTICIPATING IN EITHER THE EMPLOYMENT OR EDUCATION ELIGIBILITY PROGRAMS

This category is defined as a young adult who is incapable of completing secondary education or an equivalency program, enrolled in a postsecondary or vocational education institution, employed for at least 80 hours a month, or participating in a program designed to promote employment or remove barriers to employment, due to a medical condition. Many may be receiving services through HCBS Waiver or may be eligible to receive case management services through a care coordinator employed by a Managed Care Organization (MCO).

**Recommendation 6: The Workgroup will undertake a thorough analysis of the young adults who are served through the eligibility category of being "incapable of participating in either**

the employment or eligibility programs” and understand how they are incapable. The Finance and Policy Workgroup will create recommendations on this subject before the next meeting B2i Advisory Committee in 2018.

#### YOUNG ADULTS WHO ARE PARTICIPATING IN A PROGRAM ACTIVITY DESIGNED TO PROMOTE EMPLOYMENT OR REMOVE BARRIERS TO EMPLOYMENT

Understanding the young adults in this population is especially important, as they have been identified as needing additional support to enter the workforce. These young adults may have unmet needs that prevent them from joining the workforce, and more in depth examination is needed to understand why young adults enter on this eligibility category, how long they stay in this category, and what is needed to help move them to employment.

**Recommendation 7: The Finance and Policy Workgroup will collect feedback from young adults who have been served in the B2i Program while participating in a program or activity designed to promote employment or remove barriers to employment and examine data on this population. The Finance and Policy Workgroup will create recommendations on this eligibility category before the next meeting B2i Advisory Committee in 2018.**

#### YOUNG ADULTS RESIDING OUTSIDE OF NEBRASKA

Young adults in the B2i program have accessed many exciting opportunity for travel, including study abroad, military stations, and supportive family members who live outside the state of Nebraska. This poses a challenge for the B2i program, as Independence Coordinators need to meet with the young adults for compliance with Title IV-E. Additionally, Independence Coordinators may be unfamiliar with the services and community resources available in the state, and it may be difficult to connect the youth to the needed services. The Finance and Policy Workgroup will continue to explore options for this population, including courtesy supervision through the Interstate Compact on the placement of Children (ICPC) or Chafee services.

**Recommendation 8: The Finance and Policy Workgroup will collect feedback from young adults who have moved out of state on the Bridge to Independence Program and examine data related to this population. The Finance and Policy Workgroup will create recommendations on this subject before the next meeting B2i Advisory Committee in 2018.**