KVC LR 37 Testimony
Progress/Challenges/Recommendations
Date: 09/07/2011

Key Facts and Summary of Services:

KVC Nebraska is:

- A non-profit organization established in 2009 and is supported by KVC Health Systems which has over 40 years of child welfare experience and provides quality services in four other states.

- Currently providing case management services (reunification, adoption, family preservation) to children and families referred by the Department of Health and Human Services (DHHS) and Office of Juvenile Services (OJS). Families referred may or may not have court involvement; children may be wards of the state, and/or involved with the juvenile justice system. KVC serves 19 counties in southeast and eastern Nebraska, and have office in Omaha, Lincoln, Beatrice, Seward and Nebraska City. See map provided.

- Serving 46% of Nebraska's Child Welfare and OJS population. Specific number of children served through the DHHS contract as of August 30, 2011:

Service Area	Children Served	Families Served
Eastern	1,387	600
Southeastern	3,241	1609
Total =	4,628	2,209

➢ Licensed as a Child Placing Agency (CPA) which provides resource services for children and youth that have been removed from the home due to abuse or neglect. Foster families provide 24-hour substitute care for children and support for their parents while children are removed from their birth family due to physical abuse, sexual abuse, neglect or other circumstances requiring out-of-home care. It is the role of the child or youth's placement to provide a safe, healthy (both physical and emotional) setting that supports the child or youth and family in moving towards permanency. KVC has been especially successful in the recruitment of ethnically diverse foster homes which was a great need identified by DHHS. Specific number of foster homes sponsored through KVC and children placed are:

Service Area	Foster Homes Served	Children Placed
Eastern	135	244
Southeastern	134	208
Total =	269	452

➢ Maintains subcontracts with over 80 providers in the State of Nebraska to provide services ranging from placements to in-home supportive services.

KVC's Progress:

KVC has seen progress in both service areas in relation to results around Safety, Placement Stability, Children Served in their homes and/or with relatives or a familiar caregiver. See handout titled "KVC Behavioral HealthCare Nebraska Inc., Performance Results".

Challenges and KVC Strategies:

1. Nebraska is the 2nd highest in the nation for removing children from their homes.
   - The number of referrals from DHHS continues to be high and has increased, especially in the Southeast Service Area.
   - According to the Child Trends Data Snapshot report, Nebraska is removing children from their homes at the rate of 7.74 per 1,000 children, which is double the national average at 3.40 per 1,000. See report on page 6, table 3. This remains an ongoing challenge in both service areas.
   - Initial Response Units (IRUs) have been one strategy that KVC has assisted DHHS with to address the entry problem. This is a collaborative practice initiative to efficiently and safely reduce the number of children in care and provide least restrictive oversight to improve outcomes for children and families in Nebraska. Initiative to be referenced as the "Initial Response Unit" or IRU. Lead agencies, by contract, are not required to participate in pre-referral activities; this is an investment being made on the part of the lead agencies.
   - KVC has implemented Structured Decision Making (research supported assessment tool) and Signs of Safety to assist with properly serving children. These assessments occur after DHHS refers cases to KVC, however, provides for children's and family's needs to be addressed timely.

2. The system and its providers have been built on a reliance of high volume of children needing to be served.
   - Providers have become dependent on the revenue from rendering a service that may have been necessary ten or twenty years ago but is no longer a vital need. When providers with proven records of providing what may no longer be a necessary service are not utilized, it would be natural for them to assume that a child or family is being underserved without their involvement. This further results in confusion and financial anxiety for well-intended and committed organizations. A clear focus needs to be on finding natural supports for families within their own community whenever possible and this is often times met with resistance because the culture has been to make the services formally provided.
   - KVC is working to shift the culture of the subcontractor community to begin thinking in terms of meeting specified results when working with children and families. A strategy to address this is through provider outcomes and accountability for meeting specific measures that lead to the overall improvement of the larger system. See handout of Top 20 Provider Payments.

3. Funding Stability
   - The methodology of a flat rate to fund reform efforts has proven to be unstable. It has been KVC's desire to establish a case rate methodology that would allow for stability and accountability.
   - KVC has recommended to DHHS that a case rate methodology be considered and it has been reported that Casey Family Programs is assisting in this process.

Recommendations:

1. Support DHHS and the Lead Agencies to continue to move forward in shaping the reform efforts with formalized input from the legislative and judicial branches of government, plus other key stakeholders.

A Steering Committee made up of DHHS, a legislative representative, a judicial representative, lead agencies and other defined members should be established to provide clear focus and definition on efforts into the future. This type of committee would be able to identify potential legislative barriers or further implementation issues.

2. Case rate funding methodology.

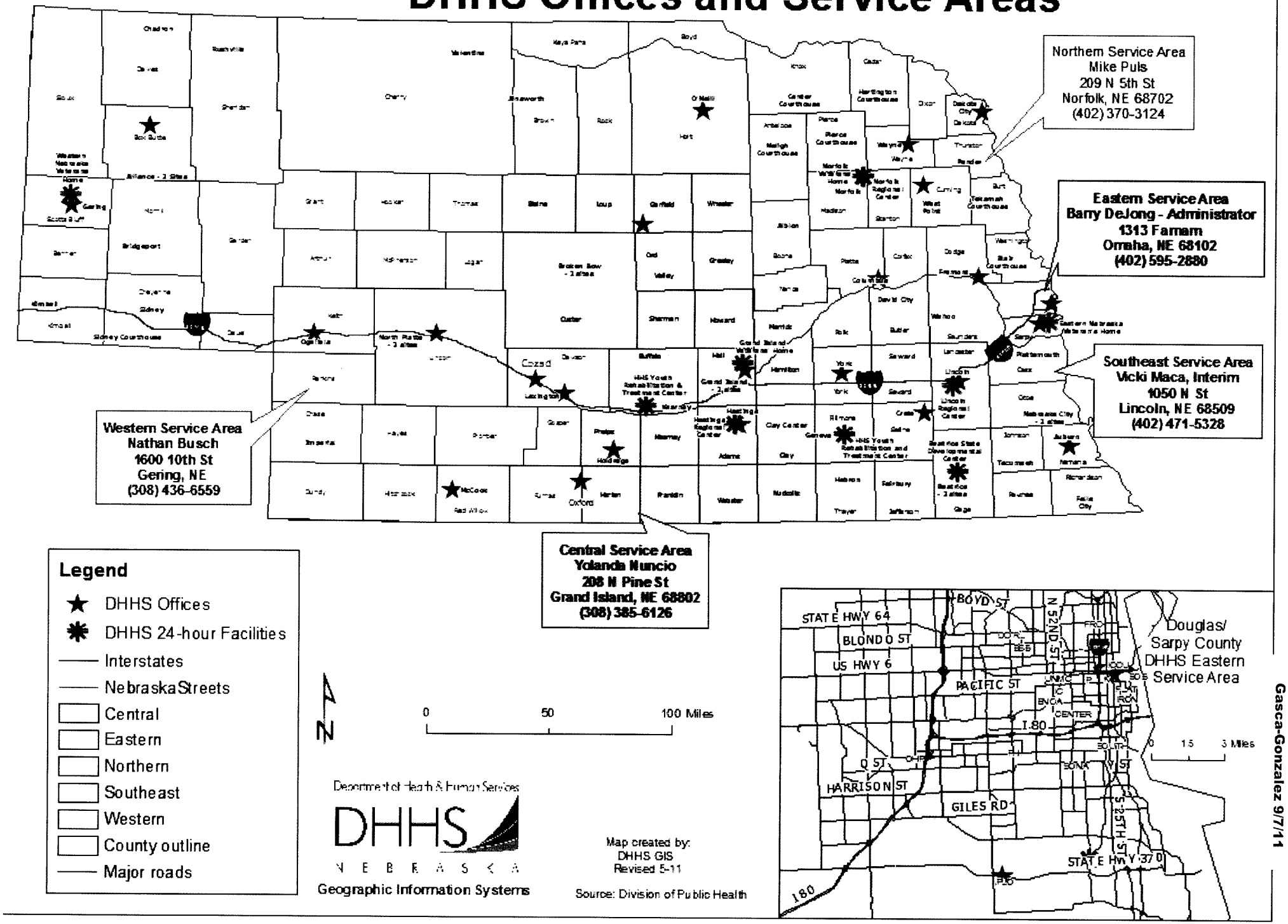
Accomplish improvement and stability in the system by establishing a consensus caseload estimating process and an accompanying rate paid per case. This would consist of officials from legislative research and the Governor's budget office meeting twice per year to estimate the number of children that will be served. This would not serve as an automatic increase in funding to providers, but rather a commitment to fund the services while also monitoring the number of children entering and exiting the system. This also would help to identify risk factors that lead to children entering the system, as well as community and regional issues that have increased the number of children in the child welfare system to an unprecedented number. This would put the Legislature and the Governor in a position to respond comprehensively with sound public policy for this very vulnerable population of children.

2. Explore the option of establishing a system based on population management.

There are varying needs for families and in the current system, every referral is currently served the same. Whether the case is in-home, out-of-home, court involved, or non-court involved, the same response is provided. There is a need to seriously explore the future of how populations of families and children get served. Given the issues with a high number of children being referred for out of home placements, this suggests that there is a lack of prevention services. There are families who could be served in a robust prevention/diversion system if one existed in Nebraska.

The OJS population and those with severe mental health or developmental disability issues could be served differently if they were carved out of the general child welfare population.

DHHS Offices and Service Areas



Department of Health & Human Services
DHHS
NEBRASKA
Geographic Information Systems

Map created by:
DHHS GIS
Revised 5-11

Source: Division of Public Health

LR 37 - Exhibit 2 - KVC
Gasca-Gonzalez 9/7/11

KVC Behavioral HealthCare Nebraska Inc. Performance Results

Results in Southeast Service Area (Lancaster & others) Since KVC	Before Reform Nov. 2009	After Reform
Safety measure 1: Absence of recurrent maltreatment	89.8% (Sept. 2009)	92.9% (March 2011)
Length of stay in the system (target = 27.3 months, lower is better)	27.8 months (Sept. 2009)	25.4 months (March 2011)
Adoptions within 24 months (target = 36.6%)	37% (Sept. 2009)	46% (March 2011)
All children (wards & non-wards) served by KVC residing in their home.	48% (end of transition Feb. 2010)	63% (August 2011)

*Safety measure 1 data taken from Compass, report named "Trend for the last 5 years" thru March 2011

*Length of Stay data taken from Compass report (trends – from Sept 09 to March 2011)

*Adoption data taken from Compass report (trends – from Sept 09 to March 2011)

*In-home data taken from KVC Nebraska Utilization Database (NEU) reports from 12/1/09 to 03/31/11. Note that percentage increased 5% following the July 2010 transition.

Child TRENDS DATA SNAPSHOT

Publication #2011-19

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FOSTER CARE DATA SNAPSHOT

May 31, 2011

Foster care is intended to provide a temporary safe haven for children who have been abused or neglected, or whose parents for some other reason cannot provide adequate care. It is not intended to be a permanent living arrangement. The goal of U.S. child welfare is to find safe, permanent homes for children, either by reunification with their families of origin or through adoption or placement with a permanent legal guardian.

Unfortunately, many children in foster care never end up in a safe, permanent family. Some spend years in multiple foster families and group homes, an experience that heightens their risk of emotional, behavioral, and academic challenges. For this reason, policy makers, administrators, and advocates have focused their efforts on safely reducing the foster care rolls. Their efforts to date have yielded mixed results. While the numbers of children in foster care and entering care each year have decreased nationwide, there is wide variation among the states, and the decline has not been continuous over the past decade.

To coincide with National Foster Care Month in May, this Data Snapshot explores state and national trends in the number of children in foster care, as well as the number entering foster care, each year from 2000 to 2009, using data from the Adoption and Foster Care Analysis and Reporting System (AFCARS). On September 30, 2009, 424,000 children were in foster care in the United States, a decrease nationally of 23 percent from the 544,000 children in foster care on September 30, 2000.

ABOUT THE DATA SOURCE

This Data Snapshot uses data from the foster care file of the Adoption and Foster Care Reporting System (AFCARS). The AFCARS foster care file includes child-specific information provided by states from their child welfare administrative data systems on all children in foster care for whom the state child welfare agency has responsibility for placement, care, or supervision, regardless of eligibility for Title IV-E funds. Data are included for a federal fiscal year.

Children are categorized as being in foster care if they entered foster care prior to the end of the current fiscal year and were not discharged from their latest foster care spell by the end of the current fiscal year.

Children are categorized as entering foster care if the most recent date of their removal from parental custody was after the beginning of the current fiscal year and before the end of the fiscal year.

FIGURE 1

Number of children in foster care at the end of the fiscal year, and entering in the fiscal year, by year (in thousands)

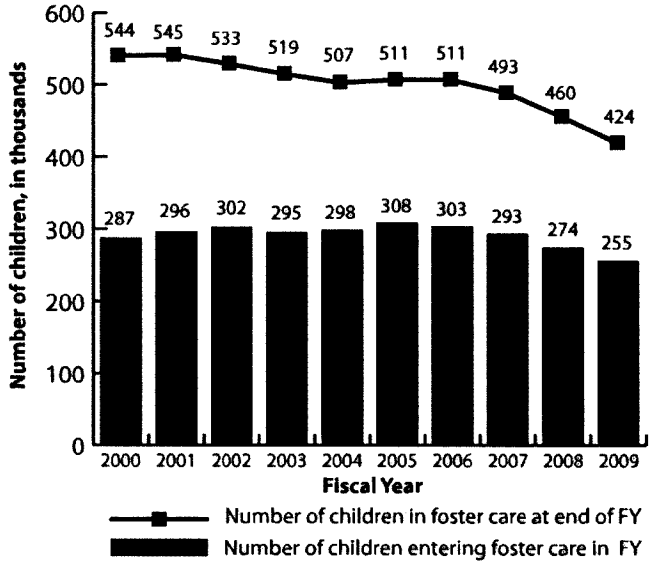
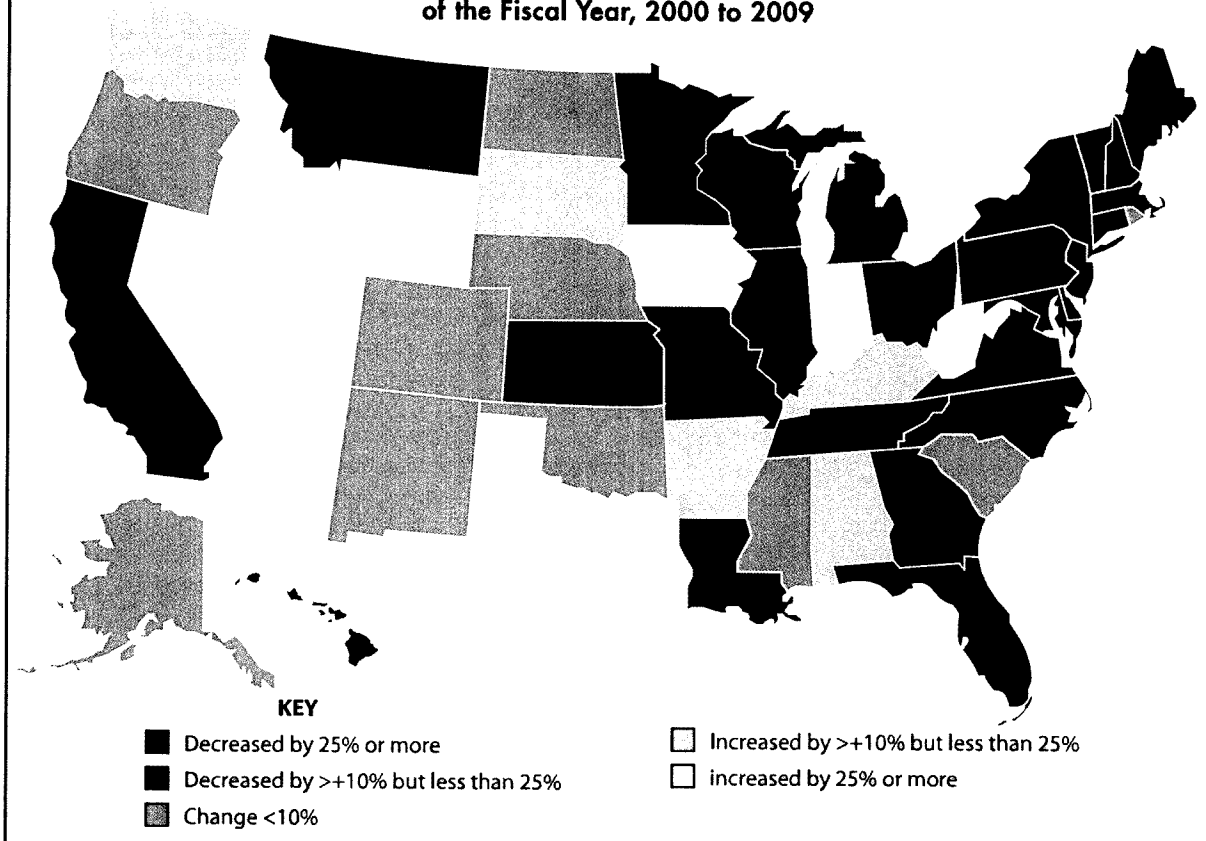


FIGURE 2

Percentage change in number of children in foster care at the end of the Fiscal Year, 2000 to 2009



The number of children in foster care at the end of each fiscal year decreased from 2001 to 2004, increased slightly to 511,000 in 2005 and 2006, and then continued to decline steadily to 424,000 at the end of FY 2009. (See Figure 1.)

Similarly, the number of children entering foster care each year has decreased overall, from 287,000 children in 2000, to 255,000 children in 2009. However, the number of children entering care has fluctuated over the course of the decade, reaching a high of 308,000 children entering care in 2005 before starting to decline.

For more information on the importance of foster care, visit the Child Trends DataBank.

NATIONAL AND STATE-LEVEL CHANGES IN THE NUMBER OF CHILDREN IN FOSTER CARE BETWEEN 2000 AND 2009.

Nationally, the number of children in foster care at the end of the fiscal year decreased by 23% between 2000 and 2009. The map in Figure 2 illustrates the percentage change in the number of children in foster care at the end of the year between 2000 and 2009, by state. States in darker shades experienced decreases in their foster care population, while states with the lightest two shades had increases. Table 1 ranks the states by the percentage change in their foster care populations between 2000 and 2009.

- Maine had the largest decline, with its foster care population dropping by nearly half (48.4%).
- Nevada had the largest increase, with its foster care population nearly doubling (195%).

NUMBER OF CHILDREN IN FOSTER CARE BY STATE IN 2009.

Table 1 also presents the total number of children in foster care on September 30, 2009 by state.