

2014-16 Strategic Plan

Children's Services Act [200]

Mission

During the 2015 Legislative session, Senate Bill 850 changed the agency name from Comprehensive Services for At Risk Youth and Families to the *Children's Services Act*. The mission of the Children's Services Act (CSA) is to create a collaborative system of services and funding that is child-centered, family-focused and community-based when addressing the strengths and needs of troubled and at-risk youths and their families in the Commonwealth.

Vision

The Office of Children's Services (OCS) envisions CSA as a national model in providing effective and innovative systems of care statewide for Virginia's children and their families. We strive for CSA to be highly regarded as a leader in: improving outcomes for children and their families; facilitating the highest quality technical assistance and training to strengthen the capacity of communities to implement CSA; maintaining high standards for sound fiscal accountability and responsible use of taxpayer funds; and partnering with families and all CSA stakeholders to implement best practices and technology to continually improve the performance of CSA. OCS strives to maintain an enthusiastic, creative and knowledgeable staff empowered to work with CSA stakeholders to sustain the highest quality system of care for Virginia's children and their families. We embrace the concepts and philosophy of the Virginia Children's Services Practice and Family Engagement Models.

Values

Systems of Care: Promotes policies, uniform guidelines, services, funding and practices that support systems of care in communities that can be tailored to meet the unique strengths, resources, and needs of children, families and communities.

Family Focused: Promotes working in partnership with families to ensure that the assessment, design, delivery and management of service is family driven

Continuum of Care: Provides access to a continuum of assessment, early intervention, treatment, and transition services and supports in communities.

Integrated Services Across Agencies: Provides for integrated services and funding for children and their families with designated care management to ensure multiple services are coordinated across agencies and evolve over time to meet the changing strengths and needs of children and their families

Collaborative: Supports open communication, active participation, and collaboration among CSA stakeholders across all sectors and at all levels on program and fiscal policy development, service development, delivery and management.

Fiscal Accountability: Ensures fiscal accountability in that funds are spent effectively, efficiently and equitably, maximizing the use of all local, state, federal & private funding streams.

Finance

Financial Overview

For FY 2015, the agency budget is funded with general funding of \$217.4 million (81%) and non-general funding of \$52.6 million (19%). Just over \$28.5 million of the general fund is dedicated to provide the state's share of Medicaid funding of residential treatment services and treatment foster care case management services. \$187.0 million general fund is dedicated to reimburse local governments for the state share of pool fund service expenditures. The remaining \$1.9 million general fund is reserved to provide local government administrative funding and to support uniform assessment of children and youth, a uniform web based reporting system for local data, comprehensive data analytics, and training activities.

Included in the FY15 appropriation is the transfer of CSA administrative funding of \$1.7M from Agency 765, Department of Social Services (DSS) to Agency 200, Comprehensive Services Act. Prior to FY15, this administrative funding was incorporated as a separate program and cost code within the DSS budget. This transfer will improve transparency of overall programmatic and operations costs of the CSA program. The Office of Children's Services (OCS) and DSS will maintain an existing Memorandum of Understanding to continue DSS support of human resources, information technology, and fiscal operations under OCS.

Biennial Budget

	2015 General Fund	2015 Nongeneral Fund	2016 General Fund	2016 Nongeneral Fund
Initial Appropriation for the Biennium	219,074,131	52,607,746	214,755,850	52,607,746
Changes to Initial Appropriation	11,279	0	4,341,302	0

(Changes to Initial Appropriation will be 0 when the plan is created. They will change when the plan is updated mid-biennium.)

Customers

Anticipated Changes to Customer Base

Current Customer List

Predefined Group	User Defined Group	Number Served Annually	Potential Number of Annual Customers	Projected Customer Trend
Child	Youth and families	14,629	15,000	Stable
Health Care	Service providers	1,200	1,300	Stable
Local or Regional Government Authorities	Local governments	130	130	Stable

Partners

Name	Description
Children and families	Partners in service planning
Parents	Partner in state and local implementation of CSA (COV 2.2-2648; COV 2.2-5206)
Community Policy and Management Teams (CPMT)	Manager of local CSA administration pursuant to Code of Virginia 2.2-5206
Family Assessment and Planning Teams (FAPT)	Local team that coordinates child and family service needs pursuant to COV 2.2-5207
Local government officials	Fiscally responsible stakeholder and member of local CPMT (COV 2.2-5206)
Community Services Boards (CSB)	Partner in local implementation of CSA (COV 2.2-5206 and 2.2-5207); providers of certain children's services
Local Departments of Social Services (LDSS)	Partner in local implementation of CSA (COV 2.2-5206 and 2.2-5207)
Court Service Units (CSU)	Partner in local implementation of CSA (COV 2.2-5206 and 2.2-5207)
Schools	Partner in local implementation of CSA (COV 2.2-5206 and 2.2-5207)
Local health districts	Partner in local implementation of CSA (COV 2.2-5206 and 2.2-5207)
CSA Coordinators	Local employees who coordinate local CSA activities
Juvenile and Domestic Relations District Courts	Key stakeholder for many youth served under the CSA; Ex-officio partner in state implementation of CSA (COV 2.2-2648)
Private providers of children's services	Partner in state and local implementation of CSA (COV 2.2-2648 and COV 2.2-5206); Organizations that provide services to children
Virginia Department of Behavioral Health and Developmental Services	Partner in state implementation of CSA (COV 2.2-2648; COV 2.2-5201)
The Office of the Executive Secretary of the Supreme Court	Partner in state implementation of CSA (COV 2.2-2648; COV 2.2-5201)
Virginia Department of Social Services	Partner in state implementation of CSA (COV 2.2-2648; COV 2.2-5201)
Virginia Department of Education	Partner in state implementation of CSA (COV 2.2-2648; COV 2.2-5201)
Virginia Department of Juvenile Justice	Partner in state implementation of CSA (COV 2.2-2648; COV 2.2-5201)
Virginia Department of Health	Partner in state implementation of CSA (COV 2.2-2648; COV 2.2-5201)
Virginia Department of Medical Assistance Services	Partner in state implementation of CSA (COV 2.2-2648; COV 2.2-5201)
Virginia Association of Counties	Stakeholder
Virginia Association of Local Human Services Officials	Stakeholder
Virginia Coalition of Private Provider Associations	Stakeholder
Virginia Municipal League	Stakeholder
Virginia League of Social Service Directors	Stakeholder

Virginia Association of Community Services Boards	Stakeholder
Virginia Court Service Unit Directors Association	Stakeholder
Council of Administrators of Special Education	Stakeholder

Agency Goals

- **Support implementation of a unified system of care that ensures equal access to quality services for at risk youth across the Commonwealth.**

Summary and Alignment

A comprehensive system of care ensures that at-risk youth and families have access to high quality services; children and youth are served in the least restrictive environments possible; funds are effectively blended and braided; and services are culturally competent, trauma informed and client driven.

Associated State Goal

Health & Family: Inspire and support Virginians toward healthy lives and strong and resilient families.

Objectives

- » **To promote the engagement of families in service planning and participation in services.**

Description

This objective supports the mission of CSA and a hallmark principle of systems of care, i.e., that services must be family-focused. Families must be highly involved in all aspects of service planning including the identification of appropriate goals and strategies to achieve those goals.

Objective Strategies

- Provide training and technical support in topics including High Fidelity Wraparound and family engagement.

Measures

- » **To maximize the number of youth served in community and family based settings.**

Description

This objective supports the stated mission of the CSA to provide services that are community-based and reflects Virginia's Practice Model which recognizes the importance of serving children within families and within their home community to the greatest extent possible.

Objective Strategies

- Provide training and resources on best practices.

Measures

- ◆ Percentage of CSA-funded youth receiving only community-based services compared to the total number of youth funded by CSA.
- ◆ Percentage of foster care children who are placed in family settings which are family and treatment foster care placements.

- » **To enhance knowledge, skills, and abilities of partners responsible for implementation of CSA at the local level.**

Description

This objective supports OCS in its statutory responsibilities to ensure the provision of efficient and effective services that are responsive to the strengths and needs of youth and families and the provision of oversight for program administration and compliance with state policies and procedures.

Objective Strategies

- Conduct annual statewide conference offering robust training.
- Provide technical assistance to address locality needs as identified by localities, through local audits and/or through data analysis.
- Maintain user-friendly web-site offering resources including "help desk," guidance documents, and links to relevant resources and information.
- Develop and post on-line training programs including recorded Webinar sessions.

Measures

- ◆ Number of participants trained annually.

- » **To maximize the use of Intensive Care Coordination for children and youth who are in, or are at risk of placement in, residential settings to prevent unnecessary residential placements and to ensure that residential placements are of the shortest duration necessary to deliver effective treatment.**

Description

The use of intensive care coordination is recognized as a key component of an effective system of care and, as an evidenced-informed practice, produces positive impact on youth outcomes while reducing the cost of services.

Objective Strategies

- Provide training for ICC coordinators, supervisors, and coaches on High Fidelity Wraparound.
- Provide training for CSA Coordinators, FAPTs and CPMTs on High Fidelity Wraparound.
- Maintain list serve of ICC coordinators and disseminate research, best practices, and share experiences.

Measures

- ◆ Percentage of CSA-funded youth receiving only community-based services compared to the total number of youth funded by CSA.
- ◆ Percentage of youth receiving Intensive Care Coordination (ICC)/High Fidelity Wraparound (HFW) services compared to the number of youth placed in residential settings.

- **Improve the operational effectiveness of CSA administration.**

Summary and Alignment

The Office of Children's Services (OCS) is established by COV 2.2-2649 to serve as the administrative entity of the State Executive Council for At-Risk Youth and Families (SEC) to ensure that its policies and decisions are implemented. OCS holds responsibility for consistent oversight of program administration and compliance with state policies and procedures.

Associated State Goal

Government and Citizens: Be recognized as the best-managed state in the nation.

Associated Societal Indicator

Government Operations

Objectives

- » **To provide timely and meaningful utilization review of residential placements per local contracts.**

Description

The Office of Children's Services is committed to providing high quality customer service to support local governments in their provision of effective services to youth and families.

Objective Strategies

- Provide timely clinical review and recommendations to local CPMTs regarding residential services.

Measures

- ◆ Percentage of utilization reports timely completed.

- » **To enhance knowledge, skills, and abilities of partners responsible for implementation of CSA at the local level.**

Description

This objective supports OCS in its statutory responsibilities to ensure the provision of efficient and effective services that are responsive to the strengths and needs of youth and families and the provision of oversight for program administration and compliance with state policies and procedures.

Objective Strategies

- Conduct annual statewide conference offering robust training.
- Provide technical assistance to address locality needs as identified by localities, through local audits and/or through data analysis.
- Maintain user-friendly web-site offering resources including "help desk," guidance documents, and links to relevant resources and information.
- Develop and post on-line training programs including recorded Webinar sessions.

Measures

- ◆ Number of participants trained annually.

» **To maximize efficient and effective use of federal and state fiscal resources.**

Description

The Office of Children's Services is responsible for oversight of fiscal and program operations and the assurance of fiscal accountability. The appropriate use of resources ensures that funds are available to provide necessary services to youth and families.

Objective Strategies

- Implement annually a robust training regarding appropriate use of funds, blending and braiding of funds, and CSA program requirements.
- Monitor local use of fiscal resources through program audits.
- Monitor and report trends in fund usage, i.e., Medicaid, Title IV-E, and CSA, via data integration and analytics application.

Measures

- ◆ Average per diem per child cost of purchased services across Medicaid, Title IV-E, and State Pool Funds
- ◆ Percentage of completed and in-process local audits compared to the total number of audits scheduled for the fiscal year.

• **Manage a strong financial infrastructure and continue to maximize all available resources.**

Summary and Alignment

Virginia's taxpayers, who provide the funding for the delivery for troubled youth and families, expect the state to professionally monitor service expenditures, appropriately budget state supported programs, and reimburse local governments the appropriate state contribution of expenditures in a timely and efficient manner.

Associated State Goal

Economy: Be a national leader in the preservation and enhancement of our economy.

Associated Societal Indicator

Business Climate

Objectives

» **To maximize efficient and effective use of federal and state fiscal resources.**

Description

The Office of Children's Services is responsible for oversight of fiscal and program operations and the assurance of fiscal accountability. The appropriate use of resources ensures that funds are available to provide necessary services to youth and families.

Objective Strategies

- Implement annually a robust training regarding appropriate use of funds, blending and braiding of funds, and CSA program requirements.
- Monitor local use of fiscal resources through program audits.
- Monitor and report trends in fund usage, i.e., Medicaid, Title IV-E, and CSA, via data integration and analytics application.

Measures

- ◆ Average per diem per child cost of purchased services across Medicaid, Title IV-E, and State Pool Funds
- ◆ Percentage of completed and in-process local audits compared to the total number of audits scheduled for the fiscal year.

» **To provide timely and accurate reimbursement of the state's share of cost for CSA funded services to local governments.**

Description

The Office of Children's Services strives to provide effective customer service and to ensure that local governments receive the fiscal supports necessary to operate local CSA programs effectively and efficiently.

Objective Strategies

- Maintain effective information technology application for fiscal operations.

Measures

- ◆ Number of findings by the Auditor of Public Accounts related to CSA fiscal operations.

- **Support informed decision-making through utilization of data to improve child and family outcomes and public and private performance in the provision of services to at-risk youth and families.**

Summary and Alignment

OCS is responsible for the development and implementation of uniform data collection standards and uniform performance measures; distribution of management reports; and reporting on the nature and cost of all services provided to the population of at-risk children within the scope of responsibility of the State Executive Council (COV 2.2-2648).

Associated State Goal

Government and Citizens: Be recognized as the best-managed state in the nation.

Associated Societal Indicator

Government Operations

Objectives

- » **To inform state and local decision-making regarding use of funds and delivery of effective services.**

Description

This objective supports the Office of Children's Services in executing its responsibilities for ensuring the provision of efficient and effective services.

Objective Strategies

- Collect, integrate, analyze, and report client-specific expenditure, assessment, and demographic data related to the CSA population of youth and families.

Measures

- » **To enhance knowledge, skills, and abilities of partners responsible for implementation of CSA at the local level.**

Description

This objective supports OCS in its statutory responsibilities to ensure the provision of efficient and effective services that are responsive to the strengths and needs of youth and families and the provision of oversight for program administration and compliance with state policies and procedures.

Objective Strategies

- Conduct annual statewide conference offering robust training.
- Provide technical assistance to address locality needs as identified by localities, through local audits and/or through data analysis.
- Maintain user-friendly web-site offering resources including "help desk," guidance documents, and links to relevant resources and information.
- Develop and post on-line training programs including recorded Webinar sessions.

Measures

- ◆ Number of participants trained annually.

Major Products and Services

The primary products/outputs of the Office of Children's Services include:

1. **State share reimbursement.** Local governments receive a formula-based reimbursement of state general fund for eligible services for youth and families purchased with local dollars. Local governments coordinate a wide array of services for eligible at-risk youth and families including, but not limited to, foster care services, private day and residential special education services, and behavioral health services. In the 2014 program year the agency served 14,972 youth at a cost of \$316.9 million (\$206.2 million general fund). An additional \$65.3 million was paid by the Department of Medical Assistance Services (DMAS) for Medicaid eligible CSA service expenditures.
2. **Training and technical assistance.** A comprehensive array of technical assistance activities and robust training opportunities are provided to maximize the capacity of local governments and other stakeholders to implement best practices and maintain compliance with federal and state laws, regulations, and policies, as they apply to services and appropriate use of funds.
3. **Program evaluation, utilization management, and utilization review.** The agency implements a comprehensive audit program; collects, integrates, analyzes, and reports data regarding local program performance; and provides oversight to ensure appropriate review of purchased services.
4. **Information technology.** The agency provides web-based information technology to support uniform assessment of children and youth, collect client-based demographic and service information, and support fiscal reporting and reimbursement processes.

Performance Highlights

Increasing utilization of community based services to decrease reliance on restrictive, residential placement is a key CSA performance measure. Since 2008, several strategies have been implemented to decrease reliance on residential care including:

- In July 2008 the State Executive Council implemented an incentive match rate system designed to encourage implementation of best practice to serve youth in family-based settings and reduce reliance on residential care. The system provides tiered levels of state reimbursement, i.e., the locality pays 50% of its formula-based base match rate for community-based services and 25% above its base match rate for residential services.
- The *Children's Services Systems Transformation* initiative was implemented statewide. This initiative, supported by the Annie E. Casey Foundation, was designed to change local practice to increase use of community based services.

These two initiatives have been credited with reducing the overall service expenditures paid by the Children's Services Act, reducing the number of youth in foster care, and reducing the number of youth served in residential settings.

- Overall CSA expenditures declined from an apogee of \$380.5 million in the 2008 program year to \$316.9 million in the FY 2014 program year, a 16.7% decline in 6 years.
- Foster care case loads were reduced 31.9% between December 2007 and June 2014 (2007 = 7557; 2014 = 5147).
- Community based services represented 40.50% of total services in FY 2008 and increased to 44.7% in FY 2014.

While the *Children's Services Systems Transformation* initiative can be considered complete, focused discipline on aligning practice and policies will continue. In FY 2013, The Virginia Wraparound Center of Excellence (COE) was established through a four-year federal Substance Abuse and Mental Health Services Administration (SAMHSA) grant to the Department of Behavioral Health and Developmental Services. The mission of the COE is to bring the High Fidelity Wraparound model of care to scale in the Commonwealth. This mission is supported by the Code of Virginia's requirement for every locality to establish policy regarding the use of Intensive Care Coordination (ICC) and policy of the State Executive Council that providers of ICC be trained in High Fidelity Wraparound. The primary activity of the COE is the provision of training in High Fidelity Wraparound to ICC service providers and local CSA teams.

A key goal for CSA in the next biennium, as evidenced in the Biennial Plan of the State Executive Council, is continued support for implementation of a singular, unified system of care that ensures equal access to quality services for at risk youth across the Commonwealth. In the fall of 2013, the agency hired an Assistant Director who holds primary responsibility for advancing implementation of Virginia's system of care model statewide through assessment of community implementation; identification of outcomes and performance benchmarks; and coordinated training and technical assistance matched to community strengths and needs.

Staffing

Authorized Maximum Employment Level (MEL)	13
Salaried Employees	12
Wage Employees	0
Contracted Employees	2

Key Risk Factors

Risk factors for the agency over the next biennium include the following:

- The agency's information technology applications were migrated from retired VITA servers in FY2013. The agency's longstanding, legacy applications were programmed in Cold Fusion, a language no longer supported by VITA. Conversion of applications into supported language (.Net) is being conducted through contracted IT support. The successful and timely conversion of applications presents an ongoing challenge given limited resources and the competing need to maintain essential operations, e.g., local financial reporting and reimbursement.
- Effective with FY 2014 OCS began collecting client specific expenditure data from local governments. Given the lack of a singular statewide data system, collected data lack standardization across localities. There is need to develop and implement standard data definitions which will require adjustment to local data applications. Reporting on services and program performance cannot be provided with the desired integrity prior to full implementation of data standardization. A workgroup of local representatives has begun this work with implementation of standardized data elements targeted for July 1, 2015.
- It is inherently difficult to forecast CSA costs at the state and local level due to the nature of the program. Costs are driven by multiple factors, many beyond state and local control, including: the number of eligible children requiring services; severity of presenting needs; availability, type and duration of services; service rates; client eligibility for and general availability of alternative funding sources; and local practice and policy changes.

Management Discussion

General Information About Ongoing Status of Agency

The Office of Children's Services (OCS) is the administrative body of the State Executive Council for At-Risk Youth and Families (SEC), the supervisory council for the Children's Services Act. The Executive Director of OCS is hired by the SEC. The agency, under the leadership of the Executive Director, is responsible for implementing the decisions and policies of the SEC and is charged with responsibilities including consistent oversight for program administration and compliance with state policies and procedures; training and technical assistance to localities in the provision of effective and efficient services to at-risk youth and families; collection of data regarding CSA-funded services; and development and distribution of management reports.

The Department of Education serves as the fiscal agent for CSA service expenditures and disburses reimbursement to local governments on behalf of OCS. The Department of Social Services provides operational supports to OCS in areas of human resources, fiscal operations, and information technology.

Information Technology

In 2012 the agency hired its first Information Technology Manager. This position plans and administers the technical and data operational activities for the CSA.

The agency will implement several major IT initiatives during the upcoming biennium including:

- Using data analytics for purposes of utilization management, program evaluation and program improvement.
- Implementing enhancements to the uniform assessment instrument (CANS) including: increased items for screening of trauma; increased report capabilities; and addition of a child welfare module.
- Conversion of existing IT applications to comply with operating and security requirements of the Commonwealth.
- Improving functionality of local government reporting.
- Enhancing management reports available to local governments, policy makers, and the public.

Estimate of Technology Funding Needs

Workforce Development

The agency is small with a staffing level of thirteen full-time-equivalent (FTE) positions, but funding for only twelve. Over the past three years, there has been increased attention to cross-training of expertise, sharing of responsibilities, and succession planning. A career development ladder has been drafted that will enable recognition of staff growth in knowledge, skills, abilities, and assumption of increased responsibilities. Implementation is dependent upon funding. The ability to attract and retain staff is a priority but presents ongoing challenges given the limited opportunities for professional advancement that exist within an agency of this size.

As possible the agency provides financial support for professional development activities including participation in conferences, educational opportunities, and membership in professional organizations.

Physical Plant

The Office of Children's Services is physically located in leased office space located in Henrico County. Lease negotiations are coordinated by the Department of Social Services (DSS) pursuant to an agency memorandum of understanding; DSS coordinates the Capital Lease with General Services. Existing space is sufficient to house existing staff, however alternative arrangements may be necessary should additional staff be required in the future.

Supporting Documents

Title	File Type
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Financial Assistance for Child and Youth Services [45303]

Description of this Program / Service Area

The Office of Children's Services provides resources, technical assistance, training and utilization management services to localities so they can maintain a system of services and funding for at-risk youth and their families. It forecasts, budgets, reimburses and monitors funds that local governments use to purchase services for children and families under the Children's Services Act (CSA). It directs, manages and reports data on CSA funded services. It works collaboratively with its partners (state and local government agencies, service providers, and families) to increase the capacity of communities across the Commonwealth to successfully implement CSA. It ensures the decisions of the State Executive Council are implemented.

Specific services falling under the umbrella of this service area as required by the Appropriations Act include:

- Reimbursing local government the state share of services purchased for eligible children and families.
- Reimbursing the Department of Medical Assistance Services for eligible expenditures made by the department on behalf of CSA.
- Maintaining agency performance measures, the Governor's agency administrative measurements and other required administrative activities.
- Assisting Community Policy and Management Teams (CPMTs) to ensure that services and funding are consistent with the Commonwealth's policies of preserving families and providing appropriate services in the least restrictive environment.
- Providing communities with technical assistance on ways to implement a comprehensive system of care, promote system transformation, encourage wrap around service alternatives, control costs, use alternative/flexible funding sources, conduct utilization management, and conduct other administrative and fiscal operations.
- Providing upon request clinical consultation and utilization review services for children in residential care to assist localities to serve children in the most appropriate, least restrictive and cost effective manner.
- Conducting fiscal and program audits to provide assessment of operations, identify areas for improvement, and provide consult and support for program improvement.
- Strengthening the role of families and the planning and implementation of services.
- Improving data collection, integration, analysis and utilization to improve outcomes for youth and families.
- Providing support for uniform assessment of youth functioning, ie managing training and electronic collection of data.
- Advancing Systems of Care statewide through assessment of community implementation, the identification of outcomes and performance benchmarks and coordinated training matched with the community strengths and needs.

Mission Alignment

This service area is directly aligned with the State Executive Council's mission to direct a cost-effective collaborative system of services for youths that is child centered, family focused and community based. This service area is further aligned with the Governor's enterprise strategic priorities in the area of health and family.

Products and Services

Description of Major Products and Services

State Share Reimbursement: reimbursement of state share to local governments for services they purchase for youth and families.

Guidance on CSA Implementation: clear and consistent guidance across the Commonwealth's child serving agencies on policy, program, fiscal and practice issues.

Technical Assistance and Training: published resources, technical assistance activities, training opportunities, and management tools to support local governments and other stakeholders in the effective implementation of CSA.

Utilization Review: upon local request, conduct state-sponsored review/clinical consultation of residential services for children funded through CSA.

Program Audits: independent, objective assurance and consulting services designed to add value and improve the operations of locally administered Children's Services Act (CSA) programs. Local program audits ensure a systematic, disciplined approach of evaluation to improve the effectiveness of risk management, control, and governance processes. Program Audits evaluate the effectiveness of internal controls and organizational practices applicable to financial and operational activities of CSA.

Utilization Management/Statistical Reporting: Integration, analysis, and reporting on fiscal, demographic, and assessment data for purposes of program evaluation and improvement.

Anticipated Changes

The 2011 Appropriation Act, Chapter 890, included language requiring the OCS, in collaboration with the Department of Medical Assistance Services (DMAS), to explore the possibility of transferring the CSA billing system to DMAS. A report on the actions necessary and preliminary cost, potential savings and timeline for transferring the system was provided in May 2012.

Concurrent with the exploration of the potential transfer of CSA billing to DMAS, activities to enable the integration of data across multiple systems were initiated. In January of 2012, a proof of concept project was initiated through funding provided by Casey Family Programs. The project integrated data from disparate data systems and generated specific analysis of expenditures, services, and youth performance. The project successfully demonstrated that the state could easily collect client specific data from localities without costly modification to local systems and link the data to additional state-maintained data.

The routine collection of client-specific expenditure data commenced in May 2013 and high-level integration and analytics are performed on a quarterly basis. This IT solution provides OCS the ability to identify effective and efficient practices in serving youth and to mitigate fraud, waste and abuse of the state's resources.

The value of analysis will be enhanced with standardization of data elements. Beginning in FY2014, a workgroup of local representatives was established to standardize data elements and identify functional processes to maximize the use of data. Local reporting using standardized data elements and definitions, e.g., standardized service names, is targeted for full implementation July 1, 2015.

Factors Impacting

In July 2008, the Commonwealth implemented strategies to reduce the reliance on residential care and to emphasize serving children in their communities and within family-based settings. The strategies included instituting an "incentive match rate system" which reduced the local match rate on community based services (50% of base match rate) and increased the local match rate on residential services (25% above base match rate). In addition, statewide training and technical assistance was provided to transform practices for serving children. Since fiscal year 2009, the number of children served by CSA in residential settings was reduced 38% -- from 3,046 children to 1,888 children for year ending fiscal year 2013. Through these strategies, local governments saved almost \$29 million in local share through the 2014 program year.

It is inherently difficult to forecast CSA costs at the state and local level due to the nature of the program. CSA costs are driven by multiple factors, many beyond state and local control, including: the number of children requiring services; severity of child and family needs; type and duration of services needed; provider rates for services; and eligibility for and availability of alternative funding sources.

Financial Overview

For FY 2015, the agency is funded with general funding (\$217.4 million or 81%) and non-general funding (\$52.6 million or 19%). Just over \$28.5 million of the general fund was dedicated to Medicaid funding for residential and treatment foster care case management services, coupled with \$187.0 million general fund to reimburse local government state share reimbursement for pool fund service expenditures. The remaining \$1.9 million general fund was reserved for local government administrative funding, payment of the uniform assessment instrument, uniform web based reporting, partial procurement of the data analytics package and training.

Included in the FY15 appropriation is the transfer of CSA administrative funding from the Department of Social Services (DSS) of \$1.7M. Prior to FY15, CSA administrative funding was incorporated as a separate program and cost code within the DSS budget. In order to provide transparency of overall programmatic and operations cost of the CSA program, this administrative funding was transferred to CSA. The Office of Children's Services has entered into an agreement with DSS to continue to provide on-going operations support

Biennial Budget

	2015 General Fund	2015 Nongeneral Fund	2016 General Fund	2016 Nongeneral Fund
Initial Appropriation for the Biennium	217,417,064	52,607,746	213,098,435	52,607,746
Changes to Initial Appropriation	0	0	4,318,629	0

Supporting Documents

Title **File Type**