

# FINAL BILL REPORT

## EHB 2008

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### C 208 L 18

Synopsis as Enacted

**Brief Description:** Addressing the budgeting process for core state services for children.

**Sponsors:** Representatives Kagi, Jinkins and Senn.

**House Committee on Appropriations**  
**Senate Committee on Ways & Means**

#### **Background:**

##### Operating Budget.

A two-year biennial operating budget appropriates funding for the operation of state government and is adopted every odd-numbered year. Supplemental budgets frequently are enacted in each of the following two years after adoption of the biennial budget.

Although many elements of the budget process are contained in statute, others elements of the process reflect decisions made by the executive and legislative branches. In Washington, budget decisions are often categorized as being either a maintenance level or a policy level decision.

For the purposes of the four-year outlook, maintenance level has been defined to mean the estimated appropriations necessary to maintain the continuing costs of program and service levels either funded in the prior biennium or otherwise mandated by other state or federal law. Maintenance level items typically include adjustments for the forecasted changes in entitlement caseloads/enrollments and other mandatory expenses.

All other budget decisions are typically categorized as policy items. Examples include: creating a new program; eliminating a current program; increasing or decreasing vendor or employee payment rates; expanding or contracting program eligibility; and expanding or contracting the value of services provided by a program.

##### Department of Social and Health Services Children's Administration.

The Children's Administration (CA) is a program under the Department of Social and Health Services (DSHS) with responsibilities that include:

- receiving reports of child abuse or neglect and responding to reports that screen-in for intervention;

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- providing temporary out-of-home placements for children who have been removed from their homes for safety reasons; and
- supporting families who adopt children from state foster care.

#### Child Protective Services.

Any person may call Child Protective Services (CPS) to report potential cases of child abuse or neglect. Intake CPS staff determine whether a report meets the following criteria to screen-in for child abuse or neglect:

- Is the victim under 18 years old?
- If the allegation were true, would it meet the definition in the Washington Administrative Code of child abuse or neglect?
- Does the alleged subject have the role of parent or caregiver, is the alleged subject acting in loco parentis, or is the alleged subject unknown?

If the screening criteria are met, the intake workers refer the report for a CPS response. Screened-in reports are referred to one of two CPS pathways: traditional investigation or Family Assessment Response (FAR). Both CPS pathways focus on child safety and include an intervention by a CPS worker who conducts a face-to-face visit with the child and family to assess how the family may be engaged in services and whether the child is safe in the home. Reports that the intake worker determines to be higher-risk for child safety are referred for 24-hour response and traditional investigation. Reports determined by the intake worker to be low to moderate risk are referred for 72-hour response and may be referred for either an investigation or FAR.

There is no official forecast of the total number of CPS reports or of CPS reports that screen-in for response.

#### Temporary Out-of-Home Placements.

If the CPS social worker who responds to the report determines that the child is unsafe in the home, the child may be removed and placed in a temporary out-of-home placement until he or she can return to the home safely or be placed in another safe and permanent living arrangement. There are multiple types of temporary out-of-home placements including licensed family foster care, relative or kin placements, and Behavioral Rehabilitation Services (BRS).

#### *Licensed Family Foster Care.*

Licensed foster families receive monthly maintenance payments for the costs of caring for a child. Family foster care rates vary by the child's age and whether the child requires higher levels of nonroutine caretaking, as determined by a standardized rate assessment tool. On a case-by-case basis, the CA may enter into exceptional cost plans with foster families to provide rates that exceed the regular rates.

#### *Behavioral Rehabilitation Services.*

Behavioral Rehabilitation Services is designed to be a temporary, intensive service that utilizes a wraparound service approach for youth with high-level behavioral, medical, or mental health issues. Most BRS youth are served in out-of-home placements in congregate care settings or with specially trained foster families; services may also be provided in-home. Contracted vendors provide BRS at monthly all-inclusive rates. On a case-by-case basis, the

CA may enter into child-specific contracts with BRS vendors to provide rates that exceed the regular rate table. Regional CA BRS managers act as the gatekeepers for BRS referrals.

Two assessments are currently used for children in BRS. The Children's Functional Assessment Rating Scale must be completed by the BRS vendor for most youth within 14 days of BRS entry and within 30 days of exiting BRS. The Wraparound with Intensive Services screen is completed upon BRS referral and every six months during the youth's BRS stay to determine if the youth's needs could be met with in-home wraparound mental health services in place of BRS.

#### Visitation.

Children in temporary out-of-home placements receive visitation with their parents and siblings when the court determines visitation to be in the best interest of the child. Visits may be provided by contracted visitation vendors, CA social workers, or other appropriate persons. The level of supervision, frequency, and duration of visitation is determined by the court and often reflects recommendations of the child's CA social worker.

#### Caseload Forecast Council.

The Caseload Forecast Council (CFC) is a state agency charged with preparing official state forecasts of the number of persons expected to meet entitlement requirements and to require the services of certain public assistance programs, including foster care, adoption support, the prison population, K-12 students, Medicaid, and other specified programs. The CFC itself consists of two individuals appointed by the Governor, and four other individuals, one of whom is appointed by the chairperson of each of the two largest political caucuses in the Senate and the House of Representatives.

#### Budgeting Processes for Children's Administration Services.

Funding for some CA services is adjusted annually in maintenance level of the budget on the basis of actual and forecasted caseloads and per-capita costs. Children's Administration services for which funding is currently adjusted in maintenance level of the budget in part using current caseload forecasts are:

- foster care maintenance payments;
- child-placing agency (CPA) management fees;
- child care for children in foster care or relative placements when their foster parents or relatives are at work or school;
- child aides for children in foster care;
- support goods for children in foster care;
- Extended Foster Care (EFC) maintenance payments and related EFC expenses; and
- adoption support and other adoption-related expenses.

Funding for BRS and for visitation services was adjusted in maintenance level through the forecast process until the 2009-11 biennial budget and 2010 supplemental budget, respectively, when the Legislature chose to begin treating all funding changes for these items as policy decisions.

Funding for staff including CPS workers is not adjusted annually in maintenance level on the basis of actual and projected workload.

Department of Children, Youth, and Families and Office of Innovation, Alignment, and Accountability.

In 2017 the Legislature created the Department of Children, Youth, and Families (DCYF). On July 1, 2018, child welfare programs from the CA within DSHS will move to the DCYF. The Office of Innovation, Alignment, and Accountability (OIAA) was created with the primary duty of developing and presenting a plan for the establishment of the DCYF.

**Summary:**

The DCYF must facilitate a workgroup to design a rate payment methodology for BRS that is based on actual costs of care provided for such services. The workgroup may consider the findings of a contracted rate analysis in designing the methodology. The DCYF must report the findings of the workgroup to the Legislature by November 30, 2018.

The OIAA must develop a single validated tool to assess the care needs of foster children. Once the tool is available statewide, the DCYF must use it to assess the care needs of foster children, including but not limited to, whether the DCYF must provide BRS. The DCYF must notify the CFC, the OFM, and the appropriate legislative committees when it begins statewide use of the tool.

The CFC must forecast the number of youth expected to receive BRS while involved in foster care and the number of screened-in reports of child abuse or neglect. Expenditures for BRS placements, staffing associated with screened-in reports of child abuse or neglect, and contracted visitation must be forecasted and budgeted as maintenance level costs. The DCYF is required to report to the Legislature no later than December 1, 2020, on a comparison of the actual and projected costs before and after inclusion in the maintenance level budget for BRS placements, screened-in reports of child abuse or neglect, and contracted visitation.

The DCYF must, as part of its 2019-2021 Operating Budget request, review the most recent caseload forecast of children in foster care and the availability and capacity of licensed foster homes. The review shall include:

- an analysis of the need for licensed foster homes;
- a listing of support services available for parents in licensed foster homes; and
- a review of DCYF policies that affect the recruitment and retention of licensed foster homes.

The DCYF must submit the results of its review to the OFM and appropriate committees of the Legislature by October 1, 2018.

**Votes on Final Passage:**

House	61	36	
House	63	34	
Senate	33	16	(Senate amended)
House			(House refused to concur)
Senate	45	3	(Senate receded/amended)

House 83 15 (House concurred)

**Effective:** June 7, 2018