

Risk Pool Funding Application SFY 2018-19

Please complete all items and submit electronically to the Regional Managing Director. Upon review and concurrence of the Risk Pool Funding Application, the Regional Managing Director will submit the application to the Deputy Secretary for the Department.

Lead Agency Name: Eckerd Connects Community Alternatives Pasco/Pinellas

Region: SunCoast Region

Contract No.: QJ511

Address: 8550 Ulmerton Road, Suite 130, Largo Florida 33771

Lead Agency Contact: Brian Bostick, Executive Director

Phone No.: 727-359-3636

Contract Manager: Shannon Johnson

Phone No.: 727-401-0675

This request is being submitted in response to an anticipated end of the fiscal year deficit inclusive of carry forward deficit.

Financials:

Confirm the dollar amount being requested: \$5.6M (of which approximately \$5.1M is directly attributed to payments for youth in licensed substitute care settings and \$385K attributed to CMO provider projected deficits:

Name of CMO Agency	Projected Deficit
Directions for Living	\$116K
Lutheran Services Florida	\$150K
Youth and Family Alternatives	\$119K

It should be noted that C6 received a total of \$3.7M in risk pool and "back of the bill" funding. These non-recurring dollars went towards offsetting the FY 18 deficit. As part of the budget planning phase for FY 19, C6 met with stakeholders and providers to identify additional opportunities to reduce overall expenditures without compromising the safety of the children served. This exercise resulted in the reduction of an additional \$870,541.16 in anticipated expenses for FY 19. Referenced below is a brief summary of the reductions:

FY 19 Budget Reduction	Total Cost Savings
Elimination of Lead Agency Expenses	\$520,773.06
Elimination of Non-Critical Contracted Support Services	\$349,768.10
Total Reduction	\$870,541.16

- 1) Confirm that funds will be expended by the end of the current fiscal year: Yes No
- 2) How do you propose to use these funds to address or correct the underlying cause of the shortfall?

OHC Analysis

In C6, removal rates have increased by 3.37% when comparing the prior 12 months of removals ending in May 2016 to May 2018. While only in Tier 2 for risk Pool Funding as a result of the 3.37% increase, it is important to note that the high removal rates in C6 have been sustained over time and the current size of the system means any increase in C6 rates affects more children than those of smaller CBCs in Tier 1. During the same period Circuit 6 experienced a 3.37% increase in removals, we also experienced a 20% increase in the rate in which children were placed in licensed foster care (from 751 to 903) and a 39% increase in the number of youth served in residential group care settings (165 to 230). The total youth entering residential group care was impacted by C6 maintaining the 2nd highest number of cross-over teens receiving child welfare services (88 compared to CBC of Central Florida who maintains the highest population at 94 cross-over teens). The total increase in youth entering paid placement resulted in a 50% increase in room and board expenditures negatively impacting the out-of-home care budget by \$4M. This increase occurred despite maintaining 74.53% of all youth in a licensed foster home care setting and maintaining an average daily cost per child of approximately \$56 per day.

Entries versus Exits

When reviewing entry and exit rates over the course of the most recent 5 years, C6 consistently received approximately 8% of the total statewide entries during fiscal years 14, 15 & 16 (refer to below chart). During this same timeframe, C6 consistently outpaced the statewide average for children exiting out-of-home care. However, as noted on the chart below, during FY 17, C6 experienced a 10% increase in entry rates compared to the state receiving a decrease of .4%. It was during FY 17 that C6 experienced a significant decline in overall exits resulting in performance being well below the statewide average. C6 experienced a 6% decline in entries during FY 18 compared to the state experiencing a decline of approximately 7%. Despite exiting fewer kids during FY 18 than entered OHC, C6 still performed 4% better in exits than the year prior. C6 is still attempting to stabilize from the historical high removal rates and have implemented several strategies as noted on the Financial Viability Plan to improve performance in this area. The average case management caseload has consistently averaged 1:21.

Region	FY14 Entries	FY5 Entries	FY16 Entries	FY17 Entries	FY18 Entries
C6	1297	1391	1429	1565	1468
SW	15,458	16,967	17,118	17,057	15,839

Region	FY14 Exits	FY5 Exits	FY16 Exits	FY17 Exits	FY18 Exits
C6	1527	1334	1335	1220	1263
SW	13,808	14,305	15,886	15,845	15,241

Removal Rates

The removals rates in C6 (Pinellas & Pasco County) have outpaced the State of Florida's average 9 of the most recent 12 months during the period encompassing May 2017 through May 2018. In addition, removals rates have continued to trend significantly above the state average over the most recent 3 months April-June 2018):

Statewide Removal Rates Per 100 alleged victims	April 2018	May 2018	June 2018
C6	6.1	7.3	6.05
SW Average	5.3	5.2	4.90

Pasco County also has one of the highest removal rates in the State of Florida averaging 7.0 for the 3 months covering March through May 2018.

Budget Cuts

During FY 18-19, Eckerd Connects reviewed expenditures across lead agency and contracted services in effort to achieve cost savings. Contracted services were reduced by \$348,000 and lead agency expenses \$233,000, reducing the overall projected deficit by \$581K.

Youth Served and Funding

Eckerd Connects provided services for approximately 5,896 youth during FY 18 (data source Children and Young Adults Receiving Services by CBC Lead Agency and Type of Service). This reflects the 3rd highest number of youth served in the State of Florida. During FY 18, Eckerd Connects received funding of \$7,649 per child compared to the state average of \$8,952. This cost differential of approximately \$1300 per child is having an unfavorable funding impact of approximately \$7.1M per year.

Eckerd Connects will continue to work our Financial Viability Plan to achieve cost efficiencies throughout the year.

Lead Agency Name: Eckerd Connects Community Alternatives Pasco/Pinellas

Region: SunCoast Region

Contract No.: QJ511

Lead Agency CEO/ED Name: Brian Bostick

Brian Bostick

Lead Agency CEO/ED Signature

8/14/18

Date

CBC Contract Manager Name: Shannon Johnson

Shannon Johnson

CBC Contract Manager Signature

8/15/18

Date

Regional Managing Director Name: Lisa Mayrose

Please confirm the following:

The Lead Agency submitted a Financial Viability Plan.

Yes No

The Lead Agency is actively working its Financial Viability Plan.

Yes No

The Lead Agency's Financial Viability Plan includes projected deficits for one or more CMO contracted through the Lead Agency.

Yes No

Please check the applicable box to indicate your level of support of this application:

Concur

*Do Not Concur

Lisa Mayrose

Regional Managing Director Signature

8/23/18

Date

***Rationale:**

(This item must be completed if "Do Not Concur" is checked.)

Click here to enter text.