Risk Pool Peer Review Committee Report

Eckerd Community Alternatives – Circuit 6 (Pasco and Pinellas Counties)

Fiscal Year 2018-2019

October 2018

Executive Summary:

Eckerd Community Alternatives as known as Eckerd Connects submitted an application for risk pool funding on August 15, 2018 for their Pasco/Pinellas contract (ECA P/P). The application was subsequently reviewed by the Suncoast Region and with the concurrence of the Regional Managing Director was submitted to the Office of the Deputy Secretary.

The department established a Risk Pool Peer Review Committee pursuant to section 409.990(7), Florida Statutes, for state fiscal year (FY) 2018-2019. The Risk Pool application process was informed by lessons learned from the prior year reviews as well as the availability of extensive additional information from reports developed pursuant to proviso language included in the General Appropriations Act (Specific Appropriation 322) for FY 2017-2018. In compliance with this proviso language, the department completed a comprehensive, multi-year review of the revenues, expenditures and financial position of all Community-Based Care Lead Agencies (CBCs) including a comprehensive system of care analysis. This submission also included a financial viability plan from all lead agencies.

The Risk Pool Protocol provided for priority consideration of any CBC with increased removals based on a 12-month moving average from May 2016 to May 2018. This criterion was based on the experience from prior year reviews that found that significant increases in removals were a key indicator of financial vulnerability for a lead agency. Tier one for priority consideration was lead agencies with an increase in removals of 10 percent or more. ECA-P/P was in Tier two for priority consideration with a 3.37 percent increase in removals.

Due to the early application process this fiscal year, the Risk Pool Peer Review team conducted a preliminary review with relevant information available from multiple sources to make recommendations. The documents reviewed are below:

- Risk Pool Funding Application FY 2018-2019
- Financial Viability Plan (FY 2017-2018 and FY 2018-2019)
- Budget Projections provided by the CBC
- CBC Financial Viability Integrated Data Report
- The Child Welfare Dashboard
- CBC Contract Monitoring Reports
- CBC Contract Monitoring Survey Data
- CBC Contract Monitoring Data Packets
- The Child Welfare Key Indicators Monthly Report
- Florida Safe Families Network (FSFN) Aggregate Payment Data
- ECA-P/P Previous Risk Pool Report

As a part of the preliminary review, the team evaluated all available information from previous on-site visits, current data, and monitoring reports to make a recommendation without an additional on-site visit by this team. To resolve any outstanding questions, additional information was requested by the team from the CBC.

The Risk Pool Peer Review Committee for ECA-P/P consisted of:

Lee Kaywork, Team Leader
Glen Casel, CEO, Community Based Care of Central Florida
Carol DeLoach, CEO, Communities Connected for Kids
Naomi McGowan, CFO, Family Support Services of North Florida
Catherine Macina, CFO, Community Based Care of Central Florida
JoShonda Guerrier, Assistant Secretary for Child Welfare
Barney Ray, Office of CBC/ME Financial Accountability
Billy Kent, Northeast Region Family and Community Services Director
April May, Suncoast Region Community Development Director
Alissa Cross, CBC Contract Monitoring Team
Melissa Stanley, CBC Contract Monitoring Team
Megan Wiggins, CBC Contract Monitoring Team

While the specific areas of review and analysis varied based on the unique needs and circumstances of each Region, Circuit and CBC, the following framework provided an outline for organizing the work of the Peer Review Committee.

Application Summary:

ECA-P/P's application for risk pool funding requested $5.6 million (of which approximately $5.1 million was directly attributed to payments for youth in licensed substitute care settings and $385 thousand attributed to Case Management Organization (CMO) provider projected deficits):

Name of CMO agency	Projected Deficit
Directions for Living	$116,000
Lutheran Services Florida	$150,000
Youth and Family Alternatives	$119,000

Additionally, ECA-P/P noted that the total of $3.7 million in "back of the bill" funding received in FY 2017-2018 was used to offset the deficit for that fiscal year. In budget planning for this fiscal year, ECA-P/P met with stakeholders to look for ways to reduce expenditures without impacting the safety of the children served, and were able to find savings through the elimination of CBC expenses and the elimination of non-critical contracted support services.

The primary causes ECA-P/P attributed to their current financial challenges are outlined below:

- Over the past two fiscal years, a sustained increase in removals, a 20% increase in the number of children placed in foster care and a 39% increase in the number of children in residential group care, which resulted in a 50% increase in room and board expenditures.
- Despite still meeting performance measures associated with timely permanency, ECA-P/P has experience a significant decline in exits.
- Removal rates that are on the high end compared to statewide trends.
- ECA-P/P has the third highest number of youth served in the state and is under the statewide average of funding by $1,303 per child.

Findings:

After review of the information provided, the Peer Review Committee was able to reach the following findings:

1. Findings related to the need for services and commitment of resources

- Sources: (The Child Welfare Key Indicators Monthly Report, The Child Welfare Dashboard, CBC Contract Monitoring Reports)
- Summary below; see CBC Contract Monitoring Report, sections 2, 11, and 12 for more details

1.1. ***What is the relevant community context within which the child welfare system operates?***

1.2. ***This may include incidence of calls to the hotline, child poverty in the area, local factors that influence the need for services, etc.***

1.3. ***Factors may also include community resources available to meet the needs of children and families such as Children's Services Councils, local governmental resources, or other unique factors.***

ECA-P/P operates in Circuit 6, serving Pasco and Pinellas Counties. Child Protective Investigations are performed by the sheriff's offices in these counties and the State Attorney's Office handles the Children's Legal Services functions in these counties. Community involvement varies between the counties, as Pasco is historically rural.

According to the US Census Facts, Pasco and Pinellas Counties have slightly lower poverty rates than the statewide rate of 14.7%. Pasco and Pinellas Counties also have slightly lower median household incomes but higher percentages of individuals with high school diplomas. In comparison to the statewide average of 27.9%, Pasco County has a higher number (29.5%) and Pinellas County has a lower number (22.5%) of individuals with college degrees.

As indicated in ECA-P/P's application, the number of reports accepted for investigation and the number of children entering out-of-home care increased for three straight fiscal years, with a slight decrease in the number of children entering out-of-home care in FY 2017-2018. Over that same period, ECA-P/P saw an increase in children served through in-home and out-of-home services. Children receiving family support services and the number of young adults receiving services has decreased slightly overall.

Child Protective Investigations and Child Removals (Pinellas and Pasco Counties)	FY 2014/2015	FY 2015/2016	FY 2016/2017
Reports accepted for Investigation by DCF *(Initial & Additional Reports)* [1]	14,599	14,562	15,310
Children Entering Out-of-Home Care [2]	1,391	1,429	1,569
Children Served by Eckerd Pinellas/Pasco[3]	**FY 2014/2015**	**FY 2015/2016**	**FY 2016/2017**
Children Receiving In-Home Services	1,955	1,786	1,980
Children Receiving Out of Home Care	2,929	2,969	3,265
Young Adults Receiving Services	257	236	255
Children Receiving Family Support Services	1,020	754	973

Data Sources: Table 4

[1]Child Protective Investigations Trend Report through June 2017 (run date 1-2-2018)
[2]Child Welfare Dashboard: Child Welfare Trends/Children Entering Out-of-Home Care (run date 1-3-2018)
[3]FSFN OCWDRU Report 1006 Children & Young Adults Receiving Services by CBC Agency (run date 1-2-2018)

The local Children's Services Council focuses on delivery of prevention services to non-dependent children. Service availability for both dependent and non-dependent children and their families varies between counties; Pinellas County has a variety of resources available, while Pasco has fewer resources available due to the historically rural nature of the county.

2. Findings related to protective services including removals, referrals for post-investigative services, activities to protect children without removal and use of resources focused on prevention and intervention.

- Sources: (The Child Welfare Key Indicators Monthly Report, The Child Welfare Dashboard, CBC Contract Monitoring Report)
- Summary below; see CBC Contract Monitoring Report, sections 5, 9, and 11 for more details

2.1. ***What are the rates of removal, rates of verification, and other measures from protective investigations that affect the need for child welfare services? How have these measures changed over time and how do they compare with other areas of the state?***

2.2. ***What activities are in place to provide support to protective investigators and families to permit children to remain safely in their homes? What services are provided with funds used for prevention and intervention?***

2.3. ***How well integrated are the CPI, safety management and intervention services components? Are there case transfer issues that affect performance?***

As indicated in the application, the Pasco and Pinellas Sheriff's Offices maintain a higher rate of removal per 100 alleged victims than the statewide average.

**Sep 2017 - Measure changed from per 100 children investigated to per 100 Alleged Victims.*

ECA-P/P has a relatively high number of children being served out-of-home and a low use of FSS, in-home safety management, and/or relative and non-relative caregivers. Locally, the investigators still appear unclear on how to access safety management services (locally known as diversion services) that could likely minimize the number of children removed from their home.

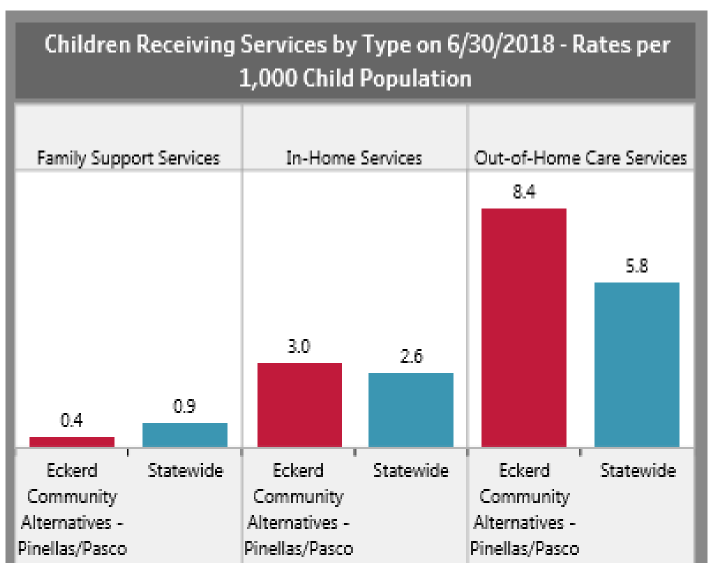


Figure 6. Source: Child Welfare Key Indicators Monthly Report, June 2018

In July 2016, the Office of Child Welfare initiated a **Service Array Assessment** with each CBC across the state. The assessment focuses on evaluating the availability, access and application of services for families involved with the child welfare system.

Family Support Services ECA-P/P contracts with Gulf Coast Jewish Services (Safe at Home) in Pasco County and Directions for Living (Family Works) in Pinellas County for family support services. They are able to utilize additional community service providers to provide services to families. In addition, ECA-P/P has three resource specialists that assist families with linkage to resources. During the most recent on-site contract monitoring, front line staff expressed confusion about the current service model, resulting in low utilization of family support services.

Safety Management Services

ECA-P/P contracts with Gulf Coast Jewish Services (Safe at Home) in Pasco County and Directions for Living (Family Works) in Pinellas County for safety management services. Safety management services are available for investigations. During the most recent on-site monitoring, the CPI focus group felt that when they needed safety monitors they would frequently be put on a wait list. Under a separate subcontract, Family Reunification Teams (FRT) can provide safety management services at the time of reunification; however, that service only available to one of the case management organizations. During the focus group, case managers felt this program was very beneficial to families.

There are often capacity issues that impact access to services for both service options. Over the past several years, there have been multiple changes to this service array, efforts to design the program to align with Florida's Practice Model, and to meet the needs of the community. This has led to confusion in the design and implementation of the program, which has translated into uncertainty related to how to access the services as well.

To continue efforts to safely decrease the number of children in out-of-home care, ECA-P/P would benefit by adding the FRT program to the other case management organizations and continue collaboration with ACTION to provide training on conditions for return as case managers indicated a continuing struggle in this area.

Turnover within front line staff has a negative impact on CPI relationships and service delivery. Front line staff and CPIs struggle to maintain effective communication. The case transfer process could be streamlined to encourage better relationships. ECA-P/P reported retention for the CMOs has been challenging during their most recent on-site contract monitoring. At the time of that review (March 2018), turnover rates were 98% for Directions for Living, 75% for Lutheran Services Florida, and 63% for Youth and Family Alternatives. Each of the CMOs have their own employee retention plan, which include both general and special retention activities for staff. ECA-P/P started a taskforce to increase performance. As a part of this taskforce, ECA-P/P facilitates monthly calls with the CMOs to discuss retention as the CMOs felt this was the largest issue surrounding their workforce. Focus groups conducted during the most recent on-site monitoring indicated that a forum for case managers to formally communicate is not available. Turnover and lack of retention is managed through average case load reports, which may not provide a clear picture of the challenges.

3. Findings related to provision of services for children in care (both in-home and out-of-home)

- Sources: (The Child Welfare Key Indicators Monthly Report, The Child Welfare Dashboard, CBC Contract Monitoring Report, CBC Financial Viability Report, CBC Financial Viability Integrated Data Report, CBC Budget Projections, and Florida Safe Families Network (FSFN) Aggregate Payment Data)
- Summary below; see CBC Financial Viability Integrated Data Report, CBC Budget Projections, CBC Financial Viability Report, and CBC Contract Monitoring Report for additional details.

3.1. ***What is the composition of the children in care including age cohorts, placement types, use of specialized higher costs settings, use of congregate care, etc.***

3.2. ***What is the cost of various placement types? To what extent are the rates paid for foster care (including care with various rates of intensity), and congregate care consistent with statewide norms (considering community context)? Have these rates remained relatively consistent over the past few fiscal years?***

3.3. ***What is the cost for dependency case management? Is this consistent with norms for such services? Have these rates remained relatively consistent over the past few fiscal years?***

3.4. ***To what extent is the CBC appropriately utilizing non-child welfare funding for services (such as DCF SAMH Funds, Medicaid, and other non-DCF funding sources).***

3.5. ***What evidence exists that case management services are well-managed by the CBC?*** *(see overall management section for response)*

Between August 2017 to present, ECA-P/P has maintained just over 50% of the children in out-of-home care placed with relatives/non-relatives despite only around 35% of children initially placed with relatives/non-relatives.

Between FY 2016-2017 and FY 2017-2018, ECA-P/P more than doubled the amount paid for group care for children ages 0-5. Additionally, while not double the cost, there was a substantial increase in group care expenditures for children ages 6-12. Also, during this time period there was a significant increase in the average daily rate for group care. There was a total of $3.1 million spent in group care, with the largest portion for the age 13-17 population. The age 6-12 population saw an 89% increase in spending for group care and the age 0-5 population saw a 133% increase.

Eckerd Community Alternative (Pasco-Pinellas) - Contract # QJ511 Total $ of FSFN Payments to Licensed Residential Group Care (OCA LCRGE)				
Ages	FY 2016-2017	FY 2017-2018	Increase/(Decrease)	% Increase/(Decrease)
0-5	$68,465	$159,538	+$91,073	+133%

6-12	$1,650,459	$3,125,031	+1,474,572	+89%
13-17	$5,607,795	$7,143,998	+1,536,203	+27%

Eckerd Community Alternative (Pasco-Pinellas) - Contract # QJ511 Total Number of Unique Clients in Licensed Residential Group Care (OCA LCRGE)				
Ages	FY 2016-2017	FY 2017-2018	Increase/(Decrease)	% Increase/(Decrease)
0-5	14	28	+14	+100%
6-12	124	197	+73	+59%
13-17	340	350	+10	+3%

Eckerd Community Alternative (Pasco-Pinellas) - Contract # QJ511 Median Daily Rate $ in Licensed Residential Group Care (OCA LCRGE)				
Ages	FY 2016-2017	FY 2017-2018	Increase/(Decrease)	% Increase/(Decrease)
0-5	$60	$105	+45	+75%
6-12	$115	$115	+0	+0%
13-17	$115	$126	+11	+10%

Eckerd Community Alternative (Pasco-Pinellas) - Contract # QJ511 Total $ of Payments by FSFN Service Type in Licensed Residential Group Care (OCA LCRGE)				
Service Type	FY 2016-2017	FY 2017-2018	Increase/ (Decrease)	% Increase/(Decrease)
Group Home	$5,560,893	$8,681,830	+$3,120,937	+56%
APD Daily Rate Service/Payment	$807,331	$775,178	-$32,153	-4%
APD Group Home	$137,843	$267,543	+$129,700	+94%
Residential Treatment – CBC Funded	$535,575	$510,203	-$25,372	-5%
Group Home Bed Hold	$115,262	$91,236	-$24,26	-21%
Shelter Facility	$39,226	$37,740	-$1,486	-4%
Clothing Allowance	$38,955	$48,275	+$9,320	+24%

Aside from group care, most out-of-home care has stayed relatively stable. ECA-P/P's FY 2018-2019 financial viability plan sets a target to reduced children in group care by nine per quarter, however the decrease reflected in their budget projections was for a total of 28 children in residential and foster homes combined for the year. Additionally, providers don't currently have a standardized rate so there are times when providers are charging more per night per child.

4. Findings related to exits from care including exits to permanence.

- Sources: (The Child Welfare Key Indicators Monthly Report, The Child Welfare Dashboard, CBC Contract Monitoring Report, Financial Viability Integrated Data Report)
- Summary below; see The Child Welfare Key Indicators Monthly Report, The Child Welfare Dashboard, Financial Viability Integrated Data Report, CBC Contract Monitoring Report – Sections 4 and 11, for more details.

4.1. ***What is the performance of the CBC in the recognized measures of children achieving permanence? Do these findings indicate that children are not remaining in care for longer than necessary? Are these permanency achievement rates consistent across placement settings?***

4.2. ***What contextual factors (such as Children's Legal Services, dependency court dynamics, etc.) influence time to permanence for children served by the CBC?***

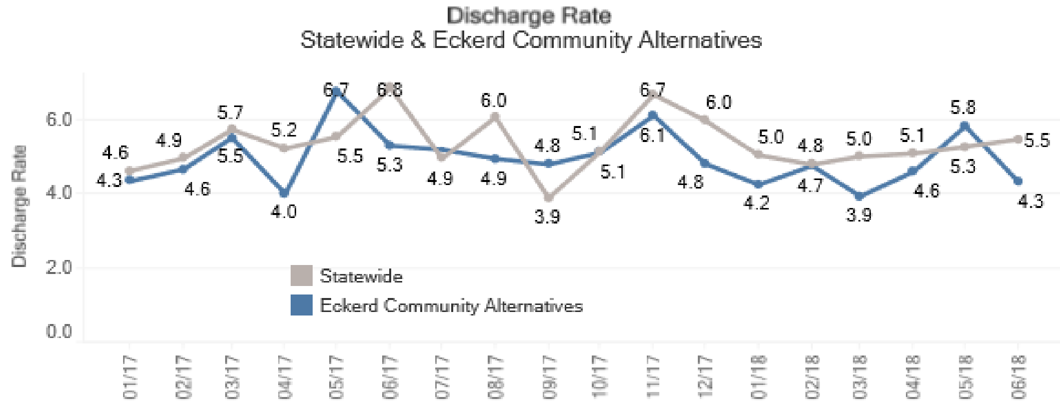
4.3. ***Has there been a change in the number of exits or time to exit that is materially influencing the cost of out-of-home care?***

Overall ECA-P/P has seen exits from out-of-home care decline. However, ECA-P/P continues to meet its targets for permanency measures. As the data below indicates, there has been a decline in exits with ECA-P/P falling below the statewide average. This is also supported by an increase in the percent of children who are in care for 18 or more months.

Subsequently, children are staying in care longer which, coupled with higher re-entry rates, indicates that children are not achieving timely permanency. ECA-P/P instituted re-entry round tables around 2.5 years ago using predictive analytics but did not find them to be successful. They have recently started having the roundtables after a child re-enters care to try and identify reasons for the child's re-entry. They have also recently completed a train-the-trainer for permanency roundtables, with a targeted start date of June 2019.

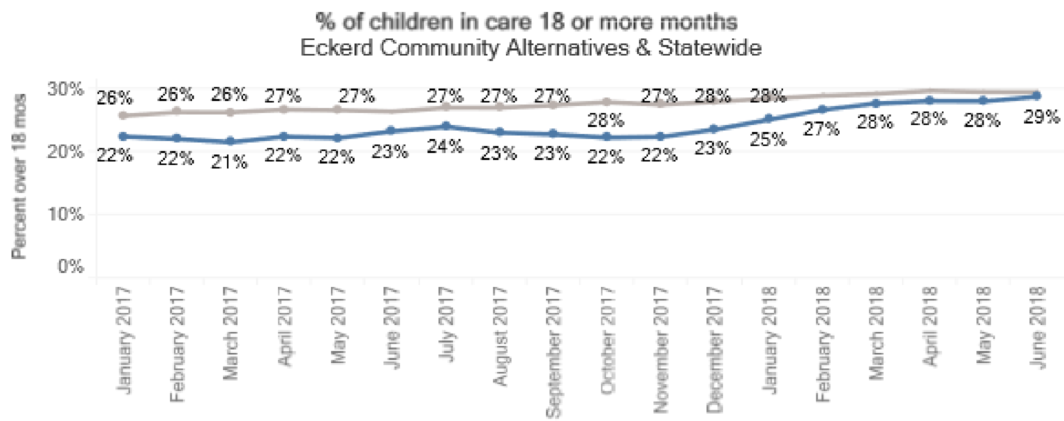
Surveys with the judiciary previously completed by the CBC Monitoring Team indicated they perceive that services are available and case managers are working collaboratively with parents and foster parents. However, case managers are not providing the judges with quality, sufficient, and timely information on cases in a consistent manner. Case management tasks are being completed but not consistently on time. This was supported by the State Attorney's Office, which stated an area of concern was case manager turn over, as it negatively impacts preparation for court, knowledge of cases, and updates on cases. They also felt that safety planning was inconsistent among case managers.

Overall partner relationships in the service area are generally positive. Leadership on all levels are typically able to work through and resolve challenges; however, there was a sense that their relationships are more cordial than truly collaborative. Frontline relationships are impacted by the high amount of turnover. As a result, there were some reports of poor communication related to case specifics.



A higher discharge rate is good if the % not neglected or abused after services remains high (standard is 95% or higher)

	FY 2017 Q3	FY 2017 Q4	FY 2018 Q1	FY 2018 Q2	FY 2018 Q3	FY 2018 Q4
M03: % not neglected or abused after srvcs	96.7%	92.3%	93.6%	95.2%	95.4%	96.1%



5. Findings related to funding, fiscal trends and fiscal management.

- Sources: (The Child Welfare Key Indicators Monthly Report, The Child Welfare Dashboard, CBC Financial Viability Report, CBC Financial Viability Integrated Data Report and CBC Budget Projections)
- Summary below; see CBC Financial Viability Integrated Data Report, CBC Budget Projections and CBC Financial Viability Report for additional details.

5.1. ***How has core services funding changed over time? (Financial) How has the CBC managed these changes? What adjustments to the available array of services have been made?*** (For service array response see section1)

5.2. ***How has any changes to core services funding contributed to any projected deficits for FY 2018-2019?***

5.3. ***In what ways are funding dynamics in the CBC unique or atypical of funding in other CBCs?***

5.4. ***What is the amount of the anticipated deficit for the current year? How reliable and valid are these projections?***

5.5. ***Are their options other than Risk Pool funding available to reduce the deficit?***

5.6. ***If the Lead Agency meets the criteria for Risk Pool funding, but the amount of funding available is insufficient to cover the projected deficit, what other options are available?***

5.7. ***Are there fiscal practices that could be completed with greater efficiency in order to reduce the projected deficit?*** (None were identified.)

5.8. ***Has the most recent CPA audit indicated any issues that would affect the financial health of the organization?***

Total Funding

DCF Contract Funds Available at Year End (by Fiscal Year)	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19
Core Services Funding	$46,862,560	$46,205,052	$44,550,216	$44,759,756	$45,555,137	$45,640,756
Risk Pool Funding	$0	$0	$0	$0	$866,570	$0
CBC Operations "Back of the Bill" Funding	$0	$0	$0	$0	$2,837,214	$0
Other Amendments to Initial Allocations	$67,010	$100,506	$740,821	$119,700	$34,899	$0
Amended Core Services Funding	**$46,929,570**	**$46,305,558**	**$45,291,037**	**$44,879,456**	**$49,293,820**	**$45,640,756**

ECA-P/P had their first deficit in FY 2017-2018 and received a total of $3.7 million in risk pool and "back of the bill" funding for their deficit. Even with the addition of these funds, they finished the year with a $449,376 deficit.

Core services funding increased ~$800,000 from FY 2016-2017 to FY 2017-2018 and by ~$85,000 from FY 2017-2018 to FY 2018-2019. Neither increase represented a significant increase to the total core services funding.

Funding not defined as Core Services Funding						
Independent Living (IL and Extended Foster Care)	$1,386,293	$1,386,293	$1,386,293	$1,386,293	$1,630,662	$2,224,750
Children's Mental Health Services (Cat 100800/100806)	$647,125	$647,125	$647,125	$647,125	$647,125	$647,125
PI Training, Casey Foundation or other non-core svcs	$0	$0	$0	$0	$0	$0
Safety Management Services (Nonrecurring)	$0	$0	$0	$604,942	$0	$604,942

ECA-P/P received an increase in funding for Independent Living (IL) in FY 2017-2018 of $244,369 and an additional increase in FY 2018-2019 of $594,088 which helped to eliminate IL deficits they had experienced over that last several years. They also received a non-recurring allocation for Safety Management Services in FY 2018-2019 for $604,942 which also helps provide additional financial resources for ECA-P/P.

Projected Revenues

The due date for risk pool applications for FY 2018-2019 from CBCs to the department was mid-August which was before the final FY 2017-2018 expenditures were completed by CBCs and submitted to the department. Therefore, applicant CBCs had to make some assumptions about their FY 2017-2018 carry forward surplus or deficit and any excess federal earnings as part of their revenue projections.

The total projected revenues by ECA-P/P was $69,612,988 which included $596,216 of revenues from other funders. ECA-P/P did include the initial allocations but underestimated their full IL allocation by $244,088 which includes an additional allocation of $220,341 from Title IV-E funding for changes to the Extended Foster Care program effective January 1, 2019. ECA-P/P also included an estimated amount of carry forward deficit. The estimated carry forward deficit is understated by $178,998. ECA-P/P did not include an estimate for prior year excess federal earnings which has been identified as $657,606. Adjusting for these three corrections, the total revenues were $70,335,684.

Projected Expenditures

The total projected FY 2018-2019 expenditures by ECA-P/P was $74,819,420. This included a total of $491,677 in expenditures charged to other funders. The total expenditures were $1,581,980 greater than the FY 2017-2018 actual expenditures reported of $73,237,440. ECA-P/P did not include a Maintenance Adoption Subsidy (MAS) deficit in the projection.

The projection includes the following:

Expenditures	FY 2018-19 Budget	FY 2017-18 Actuals	Increase /(Decrease)	% of Inc/-Dec
Lead Agency Related	$ 8,120,550	$ 8,147,487	$ (26,937)	0%
Client Related	$ 1,210,876	$ 1,341,562	$ (130,686)	-10%
Contracted Services	$ 19,783,013	$ 19,946,072	$ (163,059)	-1%
Independent Living	$ 1,981,410	$ 1,887,543	$ 93,867	5%
Out-of-Home Care	$ 19,095,289	$ 17,196,972	$ 1,898,317	11%
MAS	$ 20,473,287	$ 20,625,557	$ (152,270)	-1%
Support Center Alloc	$ 3,663,318	$ 3,466,793	$ 196,525	6%
Subtotal - DCF Contract	**$ 74,327,743**	**$ 72,611,986**	**$ 1,715,757**	**2%**
CBC-IH	$ 343,277	$ 448,668	$ (105,391)	-23%
DCF Enhanced Prevention	$ 148,400	$ 176,786	$ (28,386)	-16%
Subtotal - Other	**$ 491,677**	**$ 625,454**	**$ (133,777)**	**-21%**
Total Expenditures	**$ 74,819,420**	**$ 73,237,440**	**$ 1,581,980**	**2%**

The risk pool application stated that ECA-P/P "…. met with stakeholders and providers to identify additional opportunities to reduce overall expenditures without compromising the safety of the children served." The application identified a total cost savings of $840,541 of which $520,773 was from the "elimination of Lead Agency Expenses" and $349,768 was the "elimination of Non-Critical Contracted

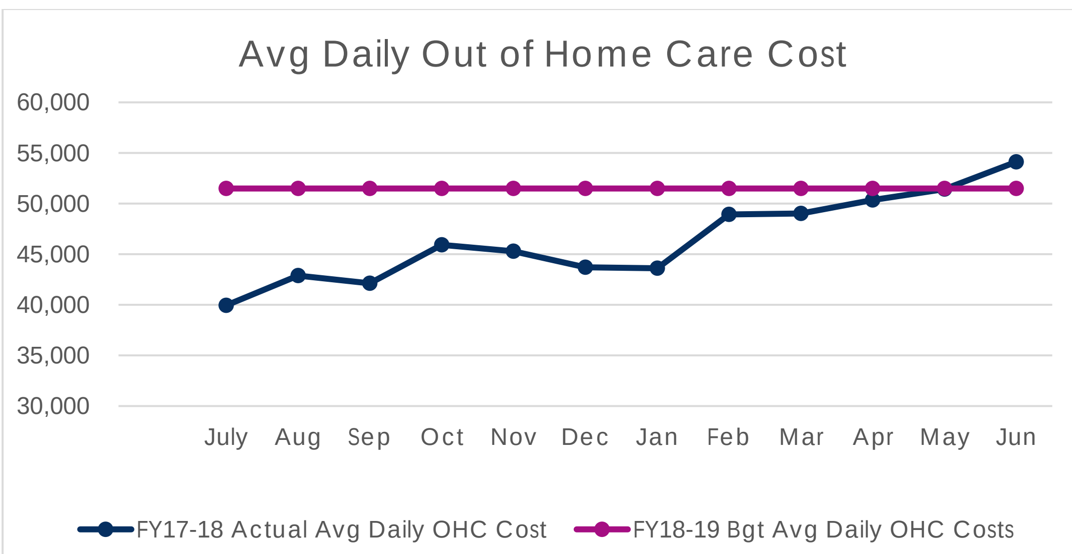
Support Services." The entire amount of the cost saving amounts stated could not be clearly identified when comparing the FY 2018-2019 budget to FY 2017-2018 actuals in the table above and could have been partially offset by increases in other expenses.

Part of the elimination of CBC expenses was shifting additional responsibility to CMO contracts with additional funding which contributes to their projected deficits.

The **Out-of-Home Care** line is <u>the</u> contributor to the increase in the total budget projection as it is $1,898,317 (or 11%) greater than the actuals from FY 2017-2018. This line includes expenditures related to children placed in licensed family foster homes and facility-based residential group care homes.

After adjusting for the total of initial and annual clothing allowances, the average daily rate for this line in FY 2017-2018 was $46,407 per day. However, the average daily rate trend was increasing throughout last fiscal year from $39,947 per day in July 2017 to $54,122 per day in June 2018; although the rate of increase lessened after January 2018.

The FY 2018-2019 projection used $51,489 per day for the entire year based upon cost information at the time of the risk pool application in mid-August 2018. The projection assumed that the average daily rate would not continue to increase in FY 2018-2019 but also doesn't assume that it will decrease; rather, hold about the same as it was in May 2018. **Given the increasing trend, it is unclear as to whether this assumption will materialize and whether or not the projected deficit could possibly increase throughout the year.**



FY 2018-2019 Financial Viability Plan

In their design and instruction for the Financial Viability Plan (FVP) templates, the department requested that CBCs identify their actions to address three primary cost drivers:

1. Factors related to entries into care
2. Factors related to the cost of children while in care
3. Factors related to exits from care

ECA P/P's FVP does contain actions to address the three primary cost drivers affecting their financial position. The actions include:

- Increase the percentage of children in out-of-home care placed with a relative or non-relative from 58% to 60%.
- Reduce the number of youth placed in residential group care from 248 to 212 (Cost Savings of $673,281).
- Targeted recruitment and initial licensing of foster homes to gain a net increase of 52 beds (Cost Savings $297,549).
- Retention of licensed foster homes to lose no more than 20 beds for the year.
- Reduce the number of children who have been in out-of-home care greater than 18 months with goal of adoption from 184 to 144.
- Reduce the number of children in licensed out-of-home care with net reduction of 17 (Cost Savings $480,267).
- Conduct monthly staffings with the Managing Entity and Legal workgroup to review actionable progress and next steps for children eligible for services through the Agency for Persons with Disabilities (APD). Currently 28 children have been identified on the APD waitlist with a goal of getting APD to pay for four children this year (Cost Savings $295,910).

The actions in the FVP does contain specific measurable performance numbers. Some actions contain cost savings projections. The cost savings identified in their plan is not reflected in their budget projections. Depending upon the success of these actions, the projected deficit could be reduced this year.

Projected Deficit

The Risk Pool application requested $5.6 million and the detailed projection provided was for $5,591,432 which includes the $385,000 in projected CMO deficits.

Based upon the adjustments identified to revenue for IL, prior year federal excess earnings, and the FY 2017-2018 carry forward deficit, the adjusted deficit is $4,868,736 **or 6.9% greater than their projected revenues**.

No unique or atypical funding was found in this lead agency as compared to other lead agencies. Pinellas County has a local children's services council (Juvenile Welfare Board of Pinellas County) which funds non-dependent children.

No findings were identified in the most recent CPA audit of June 30, 2017.

6. Findings related to overall management.

- Sources: (CBC Contract Monitoring Report, Financial Viability Plan)
- Summary below; see CBC Contract Monitoring Report – Sections 4 and 11, and the Financial Viability Plan for more details.

6.1. ***To what extent is there clear and effective communication between and among the Region, the CBC, the Sheriff (if applicable), case management organizations and other key community partners?***

6.2. ***How actively and effectively does CBC management track programmatic performance and fiscal performance?***

6.3. ***What actions have been taken by the Region and/or the CBC to resolve the fiscal issues without accessing the Risk Pool? What further actions are planned?***

Overall, the Region, CBC, and sheriff's offices have a positive working relationship and are typically able to resolve issues. ECA-P/P's leadership style is to provide data to the case management organizations or other partners and have them come up with a solution, versus working together as a team to identify solutions. The community expresses this feeling and indicates that they wish Eckerd would take more of a leadership role in problem solving. Additional concerns from the community were that ECA-P/P leads more from crisis resolution than from a strategic, prevention-based perspective.

ECA-P/P gathers and utilizes a significant amount of data to try and improve performance and distributes this data through weekly data reports. While there is a large amount of data that could prove beneficial to the system as a whole, ECA-P/P's delegative leadership approach, evidenced by their preference to provide the CMOs with data and ask them to come to solutions, has proven to not be the most effective nor well received. Additionally, ECA-P/P provided no formal contract monitoring for their CMOs this last fiscal year. This has led the community to feel that ECA-P/P needs to take a more hands-on leadership approach.

Follow up to FY17-18 Risk Pool Recommendations.

Recommendation	Action/Update
Continue reviewing the high cost placements for children who may be eligible for other funding sources.	Eckerd Connects facilitates monthly staffings for all children (24) on the APD waitlist, the staffings include DCF, Eckerd Connects and the provider. MDT staffings are conducted every 90 days. Also, Eckerd Connects reviews all children that have remained in their paid placements for more than 12 months at a cost of $150 per day or more monthly to explore other options for the children.
ECA should also take steps to address two findings from their most recent CPA Audit	The findings referenced in the FY16 Audit were remediated and is reflected in the FY17 Audit.

Recommendation	Action/Update
ECA should reevaluate their decision to engage in deficit spending to reduce case manager caseload to 1:17. Additionally, ECA should conduct an assessment of other less costly strategies for reducing the workload burden on the front-line case managers that can be implemented in lieu of adding case management positions. Consideration of other less costly strategies should include, but not be limited to: temporary positions such as family support workers or transporters, addition of a small number of supervisors to better support front line case managers that have high caseloads, pausing initiatives/projects that place a high workload demand on the front line staff, utilizing less workload intensive initiatives that are designed to safely close cases such as Rapid Permanency Review, engage stakeholders (including court, GAL, DCF, Protective Investigators, State Attorney's office and providers) in a review of all system specific practices and requirements in order to identify opportunities to streamline case management work/reduce workload demands on front line case managers, and explore strategies to keep Case Managers daily work tasks focused on critical safety issues. Note, this may mean relieving Case Managers of other less critical expectations. This evaluation should be done collaboratively with their case management organizations.	This Fiscal Year, Eckerd Connects funded case management caseloads at 1:18 and eliminated a total of 2 case manager positions. If the adjustment would not have been made Eckerd Connects would have needed to fund an additional 7 case management positions due to the increase in the number of children served. Eckerd Connects created a Transportation Unit to reduce the number of transportations that case managers were responsible for. Eckerd Connects has met with the judiciary in partnership with CMO's to address the demand of court ordered visits on case managers. Eckerd Connects partnered with the CMO's to address systemic issues during Pinellas/Pasco Community Alliance meetings, Dependency Court Improvement Meetings and Brown Bag meetings. Eckerd Connects requests agenda items from CMO Program Directors for all upcoming meetings. Eckerd Connects hosts a Data Call twice per month and the CMO's, Guardian Ad Litem, CPI's and State Attorney Office are requested to provide specific topics for the call. CMO's are asked specifically to develop proposals in regard to system changes that are required upon release of updated or new CFOP, Administrative Code or Statue. The proposals are reviewed by Eckerd Connects leadership and feedback is provided to the CMO's prior to implementation. Eckerd Connects and the CMO's revitalized an All Management meeting that consists of front line supervisors and some staff from Eckerd Connects. The purpose of the meeting was to reengage them and to develop their leadership skills. The group is tasked with developing priority of efforts for the year and to review internal procedures that can be reduced in an effort to better support case managers and their workload.

Recommendation	Action/Update
Continue to work to resolve the identified issues with placement timeframes	Eckerd Connects has contacted other Lead Agencies throughout the state and the majority of the Lead Agencies use the same 4-hour timeframe to locate placements before it becomes the Lead Agency/CMO responsibility to care for the child. This language is included within the Memorandum of Understanding that we have with the Pinellas and Pasco County Sheriff's Offices.
Re-educate CPIs on how the diversion programs can be utilized since there have been multiple changes in the contract.	Diversion providers have met with the Pasco and Pinellas County Sheriff's Departments to re-educate them on the Diversion services available to families.
Begin utilizing conditions for return staffings	This recommendation has not been implemented at this time however we will work on implementing before the end of the 1st quarter of the fiscal year.
Continue to focus on a more collaborative management style as opposed to a top-down style.	Eckerd Connects engaged Community Stakeholders in the development of the Lead Agency budget this fiscal year by hosting a Community Forum. Eckerd Connects also hosted a System of Care meeting to discuss what is right with the system of care and to identify opportunities for improvement. Eckerd Connects also included the CMO's in the development of the Risk Pool Application. Eckerd Connects has met with the judiciary in partnership with CMO's to address the demand of court ordered visits on case managers. Eckerd Connects partnered with the CMO's to address systemic issues during Pinellas/Pasco Community Alliance meetings, Dependency Court Improvement Meetings and Brown Bag meetings. Eckerd Connects requests agenda items form CMO Program Directors for all upcoming meetings. Eckerd Connects hosts a Data Call twice per month and the CMO's, Guardian Ad Litem, CPI's and State Attorney Office are requested to provide specific topics for the call. CMO's are asked specifically to develop proposals in regard to system changes that are required upon release of updated or new CFOP, Administrative Code or Statue. The proposals are reviewed by Eckerd Connects leadership and feedback is provided to the CMO's prior to implementation. Eckerd Connects and the CMO's revitalized an All Management meeting that consists of front line supervisors and some staff from Eckerd Connects. The purpose of the meeting was to reengage them and to develop their leadership skills. The group is tasked with developing priority of

Recommendation	Action/Update
	efforts for the year and to review internal procedures that can be reduced in an effort to better support case managers and their workload.
ECA should analyze and implement a plan to prudently reduce their administrative costs which have increased each year since SFY13/14.	One of the major reasons the administrative expenses have increased was the outsourcing of the IT functions. The cost to properly staff this department would have been more than the cost to outsource this function. IT is allocated based on the number of employees which includes the case management staff. We have been working with an expense reduction consultant and have identified savings in the areas of cell phone, records storage and copier leases. These savings will benefit all departments and programs of Eckerd. We are continuing to work with this firm to identify other areas of savings. It should be noted that the administrative expenses as a percentage of total revenue has not increased significantly since FY14. The administrative expenses were 3.39% in FY14 and 3.57% in FY18.

Recommendation	Action/Update
ECA should evaluate if the children are currently placed in a placement that exceeds what the child's true need is and "step down" to a Placement that is more appropriate. This same concept should be completed for Residential Group Care Placements as well.	Eckerd Connects facilitates weekly calls in partnership with case management to review children placed in Residential Group Care. Eckerd Connects and the CMO's discusses other placement options with the CMO's to include reunification, relative/non-relative placements and step down into traditional foster care.
Refresher training for all staff on the practice model to clarify some of things that have been identified as confusing may be helpful	Eckerd Connects is working with USF Training Consortium to develop trainings to help those involved with the System of care to understand the Practice Model.

The FY 2018-2019 Financial Viability Plan addresses the appropriate findings identified in the FY 2017-2018 Risk Pool Report.

Summary of Findings:

Based on the information reviewed the Risk Pool Review Committee was able to affirm the following:

- The team affirms that ECA-P/P's service area has experienced a sustained increase in hotline calls, removals, in-home services, out-of-home care and placements in residential group care. Despite these increases they have continued to meet performance measures associated with timely permanency – with the exception of the measure associated with children re-entering care.
- For FY 2018-2019, ECA-P/P made efforts to decrease the projected expenditures and was able to find an additional $870,541.16.
- ECA-P/P has implemented some, but not all, of the recommendations from the last risk pool review committee report.
- ECA-P/P needs to reduce their reliance on residential group care with an emphasis on reducing the number of children ages 6-12 in those placements.
- ECA-P/P should engage the sheriff's offices to improve the use of diversion services as a safe alternative to removals.
- Although a case load of 1:17 is ideal, a ratio of 1:20 is more practical considering the financial impact.

Recommendations:

The Peer Review Committee review found that ECA-P/P qualifies for risk pool funding with a partial distribution of $2,970,419 based on a cash flow analysis completed by the Office of CBC/ME Fiscal Accountability. Any further distribution would be evaluated in January 2019, with

ECA-P/P's budget projections also being re-evaluated at that time. Prior to the re-evaluation, ECA-P/P should update their financial viability plan to include an additional 2% reduction in their core services expenditures. The distribution should include consideration for any additional responsibilities assigned to CMOs.

1. Continue to execute the recommendations from the FY 2017-2018 Risk Pool Report.

2. Place a stronger emphasis on the reduction in the number of children in residential group care, particularly ages 6-12.

3. Develop an action plan in conjunction with the sheriff's offices to improve the utilization of diversion services as a safe alternative to removals.

4. Until ECA-P/P is able to operate without a deficit, a more appropriate caseload is a ratio of 1:20 with a goal of 1:17 long term.

5. Consistent with the findings during the most recent on-site monitoring, ECA-P/P should continue to focus on addressing case manager turnover.

6. ECA-P/P would benefit by expanding the availability of the Family Reunification Team to all case management organizations.