

Schedule 13
Funding Request for the 2013-14 Budget Cycle

Department: Human Services

Request Title: _____

Priority Number: Enhancing Family Supports and Prevention Services - Core Services Program

Priority Number: BA-9C

Dept. Approval by: *Will H. J.* 2-8-2013
 Date

- Decision Item FY 2013-14
- Base Reduction Item FY 2013-14
- Supplemental FY 2012-13
- Budget Amendment FY 2013-14

OSPB Approval by: *Grant H. ...* 2/8/13
 Date

Line Item Information		FY 2012-13		FY 2013-14		FY 2014-15
		1	2	3	4	5
	Fund	Appropriation FY 2012-13	Supplemental Request FY 2012-13	Base Request FY 2013-14	Funding Change Request FY 2013-14	Continuation Amount FY 2014-15
Total of All Line Items	Total	44,776,053	0	44,776,053	6,133,671	6,133,671
	FTE	0.0	0.0	41.0	0.0	0.0
	GF	33,632,328	0	33,632,328	6,133,671	6,133,671
	CF	5,113,437	0	5,113,437	0	0
	RF	0	0	0	0	0
	FF	6,030,288	0	6,030,288	0	0
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	33,632,328	0	33,632,328	6,133,671	6,133,671
(5) Division of Child Welfare, Family and Children's Programs	Total	44,776,053	0	44,776,053	6,133,671	6,133,671
	FTE	0.0	0.0	41.0	0.0	0.0
	GF	33,632,328	0	33,632,328	6,133,671	6,133,671
	CF	5,113,437	0	5,113,437	0	0
	RF	0	0	0	0	0
	FF	6,030,288	0	6,030,288	0	0
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	33,632,328	0	33,632,328	6,133,671	6,133,671

Letternote Text Revision Required? Yes: No: If yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and COFRS Fund N/A

Reappropriated Funds Source, by Department and Line Item N/A

Name:

Approval by OIT? Yes: No: Not Required:

Schedule 13s from Affected Departments: N/A

Other Information: N/A

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DEPARTMENT OF HUMAN SERVICES

John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

*FY 2013-14 Budget Amendment
February 15, 2013*

2/8/13
Date

*Department Priority: BA-9C
Enhancing Family Supports and Prevention Services – Core Services Program*

Summary of Incremental Funding Change for FY 2013-14	Total Funds	General Fund
Enhancing Family Supports and Prevention Services – Core Services Program	\$6,133,671	\$6,133,671

Request Summary:

The Department requests \$6,133,671 General Fund for FY 2013-14 and thereafter for in-home family supports and prevention services provided through the Core Services Program. The request focuses on keeping children safe in their homes and providing increased support to parents and families that are struggling to remain together safely. The Department proposes to accomplish this goal by matching funding to the Core Services Program to the actual need of counties based on caseload.

Problem or Opportunity:

County departments and one tribe across the state use funding provided by the state for in-home child welfare services (also known as Core Services). In recent years, the demand for Core Services funding has exceeded the annual allocation. The number of individuals served has grown 78% from 15,226 in FY 2009-10 to 27,070 in FY 2011-12. To meet the demand, county departments have limited the services an individual can receive and relied upon fund transfers from the Child Welfare Services line item appropriation, county-only moneys (county funding exceeding the Core Services allocation), TANF and other funding streams. Increasing the

funding for the program will enable counties to meet the increasing need for in-home services, reduce dependence on alternative funding sources, and enable counties to better budget their Core Services allocation.

Brief Background:

Prevention services support a broad range of families including families that have not had contact with child welfare services but may be working with other human services programs, families that were brought to the attention of child welfare services but are not being assessed for safety planning, and families that are being assessed for safety planning and a determination whether the child can remain in the home safely.

The Core Services Program serves families with children that are at risk of out-of-home placement. A set of services are made available to the families to prevent the out-of-home placement or to promote the safe return of children to the home. Core services are provided through an approved county plan as alternatives to out-of-home care or in conjunction with out-of-home care, either to reduce the level of placement needed or to facilitate the child's move to a permanent family. Counties must have basic core

services accessible to eligible children including: home-based intervention, intensive family therapy, life skills, day treatment, sexual abuse treatment, special economic assistance, mental health services, and substance abuse. Counties also have the option to provide county-designed services.

The number of families that county departments have identified as benefiting from Core Services has increased, while the appropriation has remained unchanged. In FY 2011-12, over one-third of counties reported that the number of families in their communities that were in need of Core Services had increased. Additional funds are necessary to meet this need. Table 1 highlights how spending has exceeded the appropriation in the Core Services line for the past two fiscal years. Please note while Table 1 provides general insight into the need for Core Services, the information does not include spending from TANF funds or other funds.

Table 1. Core Services Appropriation and Year-End Expenditure

	FY 2010-11	FY 2011-12
Appropriation	\$44,776,053	\$44,776,053
Expenditure	\$46,143,068	\$46,118,134
Difference	\$1,367,015	\$1,342,081

Child Welfare Services funds, county-only funds, TANF and other funding streams are used to meet each county's need for Core Services. These funds are incorporated into County Department Core Services Plan each year (i.e., expenditures in Table 2). Table 2 shows for the current fiscal year counties have planned to reallocate over \$5.7 million in funding beyond the Core Services allocation for in-home services provided by counties. This planning and diversion of funding is important, because the primary use of these reallocated funds is not necessarily in-home child welfare services. As these funds are diverted from their primary programs (e.g., TANF), the programs therefore have fewer resources available to serve individuals in their primary program. Table 2 highlights that there is a

significant need for Core Services programs beyond the existing funding provided.

Per the FY 2012-13 Core Services Plans submitted by county departments, county spending in excess of the Core Services allocations is as follows:

Table 2. Planned County Expenditures in Excess of Core Services Allocations for FY 2012-13

TANF	\$1,700,874
CWS/County Only	\$3,118,030
Other Funds	\$ 908,764
Total:	\$5,727,668

Lack of funding is a barrier that is currently overcome through county department collaboration, tailoring services allotted to Core Services participants, and drawing upon other funding streams to meet the need for Core Services. The benefit of allocating additional funds is that it will enable more families to be served in their homes, improve budgeting and allow for a more effective delivery of Core Services, and decrease dependence on secondary funds utilized by the county department to meet the community need for Core Services.

As reflected in Table 3, the number of individuals receiving Core Services has increased. In order to meet the needs of the growing population, the number of services any single individual received has decreased.

Table 3. Core Services Caseload Data.

	FY 2010-11	FY 2011-12
Total caseload receiving Core Services	24,122	27,070
% Change in caseload between FY 2010-11 and FY 2011-12	12.2%	
Total number of services authorized for Core Services recipients	39,400	34,012
% Change in Services between FY 2010-11 and FY 2011-12	-13.7%	

Alternatives:

The Core Services Program allocation could remain unchanged. The number of persons served or number services provided will be reduced to ensure that county departments remain within their overall human services budget. Colorado could choose to not to increase the Core Services program; however, in-home services are more affordable than out-of-home care and allow children to be kept safely within their own homes, which is best for children and families.

Proposed Solution

The Department is requesting funding to align the Core Services allocation with the demonstrated need. This provides county departments additional Core Services dollars for prevention and intervention services.

Anticipated Outcomes:

All county departments currently have Core Services Programs. An increase to Core Services funding allows:

- children to remain safely in their homes;
- increased support to parents and families that are struggling to remain together safely;
- county departments to expand the services within an existing operating framework;
- county departments to utilize county designed services which are tailored to drawn upon the best community resource to meet the family’s needs;
- decreased dependency on the Child Welfare Services funds, TANF, county-only funds and other funding streams to address the over-expenditure, or alternatively, the Core Services will continue to expand and county departments will continue to rely upon alternative funding streams to meet the community need.

In the Core Services area, the Department’s C-stat performance measurement process tracks the percent of children involved in a founded report of child abuse or neglect 12 months prior to their involvement in Core service, as well as the 12

months following their involvement in the program. C-Stat is a performance-based analysis strategy that allows the Department to better focus on and improve performance outcomes that enhance peoples’ lives. Table 4 shows that more youth with a founded report of child abuse and neglect are being served with in-home Core services. This data trend reflects the shift to serve youth and families with in-home services, as opposed to out-of-home services.

The performance measure tracking the percent of youth involved in a founded report of abuse or neglect for the 12-month period following their engagement with Core services provides the Department an indication of the success of the Core Services initiatives. The Department would clearly like to minimize the percent of children involved in a founded report after Core Services engagement and uses this measure to track and potentially alter practices.

Table 4. Core Services Outcomes

Measure: Core Services children that were the subject of a founded report of child abuse or neglect, the 12 months preceding their engagement with Core Services		
FY 2009-10	FY 2010-11	FY 2011-12
27%	41%	45%
Measure: Core Services children that were the subject of a founded report of child abuse or neglect, the 12 months following their engagement with Core Services		
FY 2009-10	FY 2010-11	FY 2011-12
2.5%	3.2%	3.4%

Based on the 2012 Core Services annual report, individuals received an average of 219 days of services authorized during in fiscal year 2011-12. The overall adjusted average cost per authorized day was \$8.48, for a total average cost of \$1,857 per person for the fiscal year. (219 days * \$8.48 per day) Core Services cost less than out-of-home placement, lead to less involvement with child welfare services and provides services in the home, which is in the best interests of the child and family.

Assumptions for Calculations:

Based on caseload growth, the Department requests a \$6,133,671 increase in the Core Services Program allocation from \$44,776,053 to \$50,909,724.

These funds are utilized to address the increased Core Services caseload. Between FY 2010-11 and FY 2011-12, there was a 12.2 percent increase in Core Services program participation. A 12.2 percent increase equates to an additional 3,303 served. The average cost, per the FY 2011-12 Core Services Program Evaluation Annual Report, is \$1,857 per person. This request funds a 12.2 percent increase in program participation at the average cost per participant as follows:

$$\begin{array}{r}
 3,303 \text{ participants} \\
 \times \quad \$1,857 \text{ average per participant} \\
 \hline
 \$6,133,671
 \end{array}$$

The Department will continue to monitor the caseload, service authorizations and use of secondary funds to determine if the \$6.1M increase meets the need for in-home prevention and intervention services that helps families stay together safely.

Consequences if not funded:

Without expanding prevention services, the opportunity to serve families prior to a child being harmed and in a manner that preserves the

family, is reduced. Without fully funding Core Services, county departments cannot maximize the prevention services already in place in the county.

Impact to Other State Government Agency:

There is no impact to other state agencies.

Relation to Performance Measures:

This funding request creates a common practice approach for Colorado as identified in Governor Hickenlooper’s Child Welfare Plan “Keeping Kids Safe and Families Healthy.” C-Stat measures that will be positively affected are: children who remain home safely throughout the duration of case and children who do not re-enter care within twelve months of discharge.

Supplemental, 1331 Supplemental, or Budget Amendment Criteria:

Given the ongoing challenges facing Colorado's Child Welfare system, the Executive Branch decided to take advantage of improving revenue forecasts and implement critical Child Welfare reforms.

Current Statutory Authority or Needed Statutory Change:

26-5-102 C.R.S. enables child welfare services system reform goals. No statutory changes are needed.