



# **CSA COST CONTAINMENT REPORT**

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**CHARLOTTESVILLE/ALBEMARLE COMMISSION ON CHILDREN & FAMILIES**

**PREPARED BY THE CSA  
COST CONTAINMENT  
SUB-COMMITTEE**

**JANUARY 2004**



# COMPREHENSIVE SERVICES ACT COST CONTAINMENT SUBCOMMITTEE REPORT

## Executive Summary

The Comprehensive Services Act for At-Risk Youth and Families (CSA) is a state law that consolidated funding for legally mandated services to troubled children and families and required the establishment of local interagency management and service delivery systems to plan and provide services.

Locally, the CSA program is overseen by the Charlottesville/Albemarle Commission on Children and Families (CCF).



The Comprehensive Services Act for At-Risk Youth and Families (CSA) is a state law that consolidated funding for legally mandated services to troubled children and families and required the establishment of local interagency management and service delivery systems to plan and provide services. Locally, the CSA program is overseen by the Charlottesville/Albemarle Commission on Children and Families (CCF).

The CSA program has increased interagency collaboration and community involvement in serving troubled children and families. Services have become more efficient and children in need are less likely to “fall through the cracks.” Charlottesville and Albemarle have been recognized by the state for the quality of services provided under CSA and compliance with program management requirements.

Since the program began in Fiscal Year 1994, CSA caseloads and costs have increased steadily. The average annual increase in children served has been 8% for Charlottesville and 19% for Albemarle. Expenditures of CSA funds for the City have increased an average of 23% per year and for Albemarle, 27% per year. CSA cost increases have been driven primarily by the growing number of children required to be served and the increasing severity of their service needs. At the same time, administrative staffing for CSA coordination has remained unchanged at 1.2 positions in the CCF office. State funding provided for administration of this \$12 million program (in fiscal year 2003) is only \$30,456 per year.

Due to growth in the CSA program and its state-mandated administrative requirements, the Charlottesville/Albemarle management and service delivery system has become overloaded. In July 2003, an interagency work group implemented changes to improve the efficiency and effectiveness of the service planning process. While significant progress has been made in the system’s effectiveness, costs remain a concern.



## CSA Cost-Containment Subcommittee Background

In February 2003, the Commission and its CSA Committee established the CSA Cost Containment Subcommittee to study the reasons for cost growth and recommend ways to improve cost control. The Subcommittee worked for nine months researching data, examining program operations, and identifying best practices in other localities. Its recommendations are grouped in four categories:

- **Utilization Management.** “Utilization Management” refers to the activities and processes involved in assessing service needs, selecting service providers, delivering, monitoring, evaluating, and terminating services provided primarily by private vendor agencies. Effective utilization management is critical to providing the most appropriate and effective services and controlling costs.

- **Prevention Services.** CSA costs are driven primarily by the number of children required to be served. The majority of those children are in foster care, and the second largest group is Special Education students. High CSA costs in our localities are due mainly to high caseloads and the increasing severity of children’s needs. Preventing children from entering foster care and reducing the need for out-of-school special education services is the single best way to control CSA costs.

- **Intervention Services.** The CSA program intervenes when children require removal from their homes and placement in foster care or when their special education needs cannot be met in the local schools. Services are provided by staff in the local CSA agencies and through purchase from other public and private service providers. Cost issues include severity of children’s service needs, availability of appropriate service providers, rates charged for services, and effectiveness of case management. The development of new service resources locally, particularly for secure emergency placement and assessment, may contribute to better cost control.

- **Policy Issues.** Changes in state and federal policies and resources have resulted in the shifting of costs and service responsibility to CSA for children who formerly would have been served in public mental health or correctional facilities. Modifications in these and other policy areas could contribute to reduced CSA program costs.

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- Utilization Management
- Prevention Services
- Intervention Services
- Policy Issues



# COMPREHENSIVE SERVICES ACT COST CONTAINMENT SUBCOMMITTEE REPORT

## Major Recommendations

- Establish a full-time Utilization Management (UM) Coordinator position
- Provide funds to increase prevention services
- Support the CSA Committee in developing a local program or system for comprehensive and secure multidisciplinary assessment of any child who requires it.
- Establish a single Family Assessment and Planning Team model

### The Subcommittee's major recommendations are:

1. The City and County governments should approve the use of appropriated CSA funds to **establish a full-time Utilization Management (UM) Coordinator position** to implement a comprehensive utilization management system.
2. The City and County governments should provide funds to increase prevention services, including:
  - Take advantage of available federal Title IV-E funds (with a 50% local match) to **establish two new Foster Care Prevention social worker positions in the City's Social Services Department.**
  - **Ensure continued funding support for the County's Bright Stars and Family Support Programs.**
  - Direct **additional local funding support to other prevention service programs** using models with demonstrated results for children age 11 and up.
3. The City and County governments should support the CSA Committee in **developing a local program or system for comprehensive and secure multidisciplinary assessment** of any child who requires it.
4. The CSA Committee should form an implementation work group to **establish a single Family Assessment and Planning Team model** by July 1, 2004, to replace the current structure of four interagency teams of case managers who review service plans and recommend funding.

There is no simple solution to the CSA cost dilemma. CSA is a legally mandated program that is administratively complex. Locally we are operating it with minimal staffing relative to the program's administrative and case management challenges. Additional system improvements possible with currently available resources are likely to be marginal. Improved cost control will require the investment of new resources. The Subcommittee's report provides a recommended investment strategy.



## Introduction: The CSA Program

The Comprehensive Services Act for At-Risk Youth and Families (CSA) is a state law passed in 1992 (Code of Virginia, Sec. 2.2-5200 to -5214) to change the way publicly-funded services to troubled children and families are delivered. It was intended to increase interagency collaboration, allow greater local flexibility in developing and providing services, and help control costs, particularly in foster care.

CSA created the State Pool of funds to pay for services, combining several state funding streams that previously went to separate agencies, established a formula for local matching funds (45% for Albemarle and 31% for Charlottesville), and required the creation of local interagency boards, called Community Policy and Management Teams (CPMT), to administer the funds and services. The City and County chose to form a joint CPMT to administer CSA locally.

Since 1998, the Commission on Children and Families (CCF) has served as the CPMT for Charlottesville/Albemarle. The CCF is a 22-member planning and advisory body to the City of Charlottesville and County of Albemarle composed of citizen, community agency, local government, education, and University leaders with the mission of improving outcomes for local children and families. The Act mandates that the membership of the CPMT include, at a minimum, the local agency heads or their designees from the Charlottesville and Albemarle Departments of Social Services, the Thomas Jefferson Health District, Region Ten Community Services Board, the Charlottesville and Albemarle Public Schools, and the Juvenile Court Services Unit, as well as a parent representative, a private service provider agency representative, and an elected or appointed government official from Charlottesville and Albemarle County.

Children legally mandated to be served through CSA include those who are in foster care (placed in the legal custody of the Department of Social Services by the Juvenile Court judge) or at risk of entering foster care and children needing residential or day placement for special education needs that cannot be met in the local school system. The relative numbers served in these categories are

## Introduction: The CSA Program

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- 1) children in foster care
- 2) children at risk of being placed in foster care
- 3) children needing residential or day placement for special education needs that cannot be met in the local school system.



# COMPREHENSIVE SERVICES ACT COST CONTAINMENT SUBCOMMITTEE REPORT

## CSA provides a range of services to youth

Many of the children served by CSA are suffering from physical abuse or neglect, sexual abuse, serious emotional disturbance, conduct disorders, autism, other types of psychiatric illness, and drug or alcohol abuse.

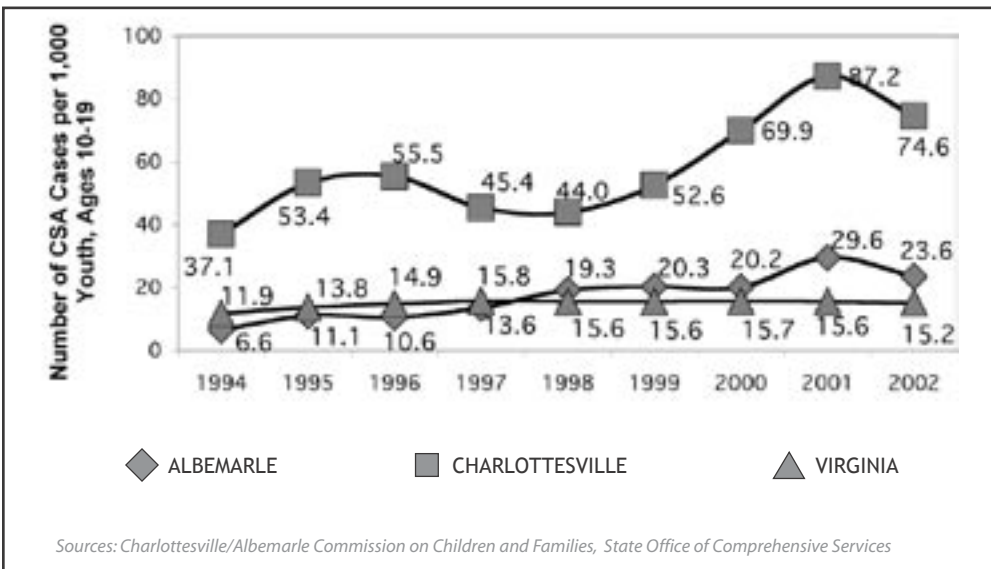
different for the City and County, the City having proportionally more foster care cases and the County relatively more in Special Education (see Appendix 1). Many of these children are suffering from physical abuse or neglect, sexual abuse, serious emotional disturbance, conduct disorders, autism, other types of psychiatric illness, and drug or alcohol abuse.

CSA provides a range of services, purchased from public and private providers, including:

- Room and board in foster family homes;
- Therapeutic foster care;
- Supervision and services in group homes;
- Special education in residential and day treatment facilities;
- Psychiatric, psychological, and other services in residential treatment facilities;
- Intensive in-home therapy and out-patient counseling;
- Training in job readiness and independent living skills;
- Child care, parent education, mentoring, and other support services.

Caseworkers in the public agencies included in the Act assess service needs

of children and families, develop service plans, and manage and coordinate the delivery of services. They collaborate on CSA-mandated Family Assessment and Planning Teams (FAPT) to review service plans and recommend funding to the CPMT. Services are purchased from public and private provider agencies. The CSA Coordinator in the CCF office provides administrative staff support for the program.





## Background

Many of the changes brought about by the Comprehensive Services Act have been positive. CSA has substantially increased interagency collaboration in serving troubled children, improving the early identification of service needs and the efficiency of planning and providing services. Over 100 case managers in six public child-serving agencies work through the CSA program to jointly plan and coordinate services and prevent children are from “falling through the cracks.” There is greater community and parental involvement in meeting the needs of troubled children and more services are available to meet those needs.

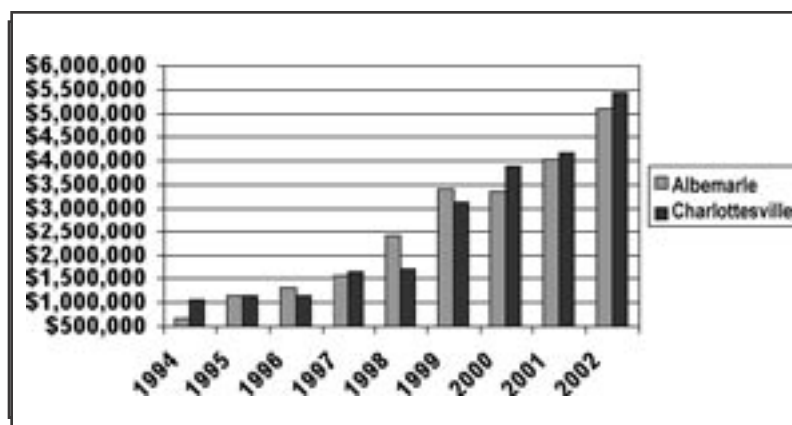
Charlottesville and Albemarle have been recognized by the state for successful implementation of CSA. In June of 2002, the state Office of Comprehensive Services conducted a three-day formal review of our local CSA operations. They found that our CSA system was providing quality services through interagency collaboration and community involvement. Case records were found to contain the required documentation of service needs, service planning, appropriateness of care, and utilization management and review. They noted that cost containment measures were in place, and commended the City and County for placing high emphasis on the use of Medicaid and Title IV-E as alternative funding sources to save CSA costs.

The CSA program in Charlottesville/Albemarle is successful in many respects but can be improved. Caseloads and service costs have increased steadily since 1993, as have state-mandated administrative requirements. The local CSA program budget has been a growing concern, and our CSA system has become overloaded and more difficult to manage. State funding for program administration pays only a fraction of the program’s real operating cost and has been increased only once in nine years.

Fiscal year 2003 was the ninth year of the CSA program. Over that period of time the average annual increase in expendi-

## Background

The CSA program in Charlottesville/Albemarle is successful in many respects but can be improved. Since the implementation of CSA in July 1993, caseloads and service costs have increased steadily, as have state-mandated administrative requirements.





# COMPREHENSIVE SERVICES ACT COST CONTAINMENT SUBCOMMITTEE REPORT

## Background

In the spring of 2003 the work group implemented a series of changes to the FAPT structure and process designed to better meet state mandates, increase efficiency, ensure high-quality service recommendations, increase focus on child outcomes, and ensure that cost effectiveness is always a primary consideration in developing service plans.

tures for CSA services in Charlottesville has been 23% and in Albemarle 27% (see Appendix 2). The average annual increase in children served has been 8% in Charlottesville and 19% in Albemarle (see Appendix 3). In 2002, Medicaid began paying for some CSA services, reducing local cost.

High CSA costs in our localities are due mainly to high caseloads and the increasing severity of children's needs..

### **Ad Hoc Committee on FAPT Process**

In the fall of 2002, growing CSA caseloads and state administrative requirements had overloaded the Family Assessment and Planning Team system to the point that its effectiveness was seen as diminished. The large volume of cases coming before the four teams had reduced their ability to fully meet state administrative requirements, ensure the best service plans, and give thorough attention to cost issues. An interagency work group was established to consider these problems and implement system improvements.

In the spring of 2003 the work group implemented a series of changes to the FAPT structure and process designed to better meet state mandates, increase efficiency, ensure high-quality service recommendations, increase focus on child outcomes, and ensure that cost effectiveness is always a primary consideration in developing service plans. New tools and streamlined procedures were developed to reduce duplicative effort, ensure consistency in case presentations and the review process, and maximize parental involvement.





## Cost Containment Subcommittee

In spite of policies and processes built into the CSA system for fiscal management, costs have continued to increase substantially. In February 2003 the Commission and its CSA Committee established the Subcommittee on cost containment and asked it to:

- Identify and analyze the reasons for CSA costs and increases.
- Review our current policies and processes related to cost control and determine if and how they can be improved.
- Research cost-control practices in other localities.
- Identify and evaluate new options for cost control.
- Make recommendations to the CSA committee on improvements to our current cost control practices and new cost control measures to implement.

The Subcommittee was chaired by Paul McWhinney and met 12 times between March and November 2003. Members formed subgroups that conducted data analyses on costs, cases, and services, researched legal issues and best practices, examined how CSA is administered in localities with better cost experience, and studied our local structure and processes to assess potential improvements.

The Subcommittee found that reasons for cost growth include increasing numbers of children legally mandated to be served, a growing percentage of children with severe problems requiring the most expensive treatment, increasing service fees charged by vendors, and an overloaded and understaffed system unable to conduct all the best practice administrative and case management functions to control costs. Recommendations address each of these areas.

## Background

### Cost Containment Subcommittee Members

Saphira Baker, Director,  
Commission on Children and Families

Katie Bullard, City of Charlottesville  
Budget Manager

Robert A. Cox, III, Director of Social  
Services, Charlottesville

Gretchen Ellis, Planner, Commission  
on Children and Families

Kevin Kirst, Special Education Coordi-  
nator, Albemarle County Schools

Cheryl Lewis, Foster Care Supervisor,  
Albemarle Social Services

Paul McWhinney, Assistant Director,  
Albemarle Social Services

Mike Murphy, Program Coordinator,  
Community Attention

Dana Neidley, Chief of Social Work,  
Charlottesville Social Services

Earl Pendleton, Probation Supervisor,  
16th District Court Services Unit

Chalarra Sessoms, Social Worker,  
Charlottesville City Schools

Erin Sutfin, University of Virginia  
Graduate Student

Cindy Stratton, CSA Coordinator

Roxanne White, Assistant County  
Executive, Albemarle County



# COMPREHENSIVE SERVICES ACT COST CONTAINMENT SUBCOMMITTEE REPORT

## Research Methodology

The Subcommittee determined that recommendations needed to be based on concrete data. To this end, the subcommittee conducted a number of research projects to collect information about current CSA costs and utilization, local perceptions and practices, and best practice models.



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**1. Cost and data analysis:** In April, 2003, Gretchen Ellis reviewed CSA fiscal records for each locality for FY00-FY02 to gather data about overall cost, types of cases served, kinds of services provided, demographics of youth served, vendor rates and utilization. Findings indicate that local expenses increased 35% in the City and 44% in the County in two years. The increases in vendor fees varied widely, from 7% to 75%. (See Appendix 4)

**2. Survey of Subcommittee members:** In April 2003, Subcommittee members completed a self-survey to identify possible causes of increased costs. Survey responses were used to guide further research to test proposed theories. Committee members identified possible causes including a lack of local resources, state and local policies, vendor practices, insufficient utilization management, and a changing client population. (See Appendix 5, survey instrument)

**3. Residential case file research:** In May and June 2003, Erin Sutfin reviewed the case files of 12 youth in extended and costly residential placements. Data were analyzed to determine the number, types, and outcomes of residential placements. Findings indicated that many of these youth were rejected or ejected by multiple facilities. Diagnostic practices and service planning were inconsistent. (See Appendix 6)

**4. Utilization management research:** In August 2003, Buz Cox and Paul McWhinney presented research about effective utilization management practices. Utilization management is the process of managing costs and use of services through effective planning, monitoring, and decision-making to assure that services provided are appropriate and cost-effective. (See Appendix 7)



## Research Methodology

**5. In-home services case file research:** In July, 2003, Gretchen Ellis and Department of Social Services staff analyzed a representative sample of case files for children who received in-home foster care prevention services to determine the appropriateness and impact of these services. Favorable outcomes were achieved in 50% of cases. (See Appendix 8)

**6. Best practice interviews:** In August 2003, Erin Sutfin presented the results of interviews with CSA staff in Hampton, Hanover, and Winchester, all communities which have implemented effective cost containment practices. Best practices in Norfolk, Richmond, and Lynchburg were also examined. Findings indicated that these localities have extensive utilization management programs and several use a single professional FAPT model. (See Appendix 9)

**7. Current practice interviews:** In July and August 2003, Katie Bullard conducted structured interviews with a representative sample of CSA case managers. They indicated that high caseloads, lack of local resources, and lack of sufficient capacity for case management are among issues that impact CSA costs. (See Appendix 10)

**8. Foster Care prevention statistical research:** In August 2003 Cheryl Lewis and Dana Neidley, along with other staff from the Departments of Social Services, analyzed foster care prevention statistics. This research analyzed three years of data for all foster care prevention cases to determine whether these children later entered foster care. Research showed that a majority of these children did not enter foster care with more favorable outcomes in the County. (See Appendix 11)

**9. Legal Research:** The Subcommittee asked the Charlottesville City Attorney's office to research legal questions pertaining to CSA cost issues. The research (see Appendix 12) found that the CSA system has the legal responsibility to provide appropriate services and the flexibility to do so at the lowest feasible cost, but that the Juvenile Court judge has the authority to require higher levels of services at additional cost. Also, the legislature made a Code change in 2000 making the criteria for committing a delinquent child to a Juvenile Justice facility more restrictive. Foster care being one of the dispositional options for the judge in delinquency cases, some children who previously would have been committed to state correctional facilities may be placed in foster care instead.



# COMPREHENSIVE SERVICES ACT COST CONTAINMENT SUBCOMMITTEE REPORT

## Findings and Recommendations

Recommendations are grouped in four categories:

1. Utilization Management
2. Prevention Services
3. Intervention Services and
4. Policy Issues

Relevant findings precede each recommendation. Anticipated outcomes and implementation strategies follow.

### Findings and Recommendations: Utilization Management

“Utilization management” refers to the activities and processes involved in assessing service needs, selecting service providers, delivering, monitoring, evaluating, and terminating services (see Appendix 7). Effective utilization management is critical to providing the most appropriate and effective services and controlling costs.

**FINDING:** *There is insufficient personnel capacity and funding within our CSA staff and committee structure to accomplish all the work necessary to effectively manage the program and control costs. State funding for administrative costs is only \$30,380 per year, about two-tenths of one percent of the program’s total 2003 expenditures. City and County funds must pay the difference just to support one administrative position, and additional staffing is needed. CSA agency staff and the CSA Coordinator lack adequate time to conduct thorough case-specific utilization review and system-wide utilization management. The work expected of the CSA Coordinator constitutes two or three distinct jobs that cannot be effectively performed by one person, contributing to frequent turnover. Benchmark localities found to have better CSA cost experience typically have separate dedicated staff positions for Family Assessment and Planning Team (FAPT) coordination, CSA program management, and utilization management coordination.*<sup>1</sup>

**FINDING:** *There is insufficient awareness of and case manager and staff attention to vendor accountability and cost control.*

**FINDING:** *There is limited information available about outcomes achieved by service providers and the effectiveness of different treatment modalities they use. Case managers rely mostly on anecdotal experience and word-of-mouth in selecting service providers.*

**FINDING:** *Fees charged by service providers are not regulated (the state deregulated them when CSA was created) and have increased significantly over time, often substantially more than the “cost of living.”<sup>2</sup> Many vendors operate in a “sellers market.”*

**FINDING:** *Several “best practice” localities with better CSA cost outcomes utilize one “permanent” Family Assessment and Planning Team rather than the multiple-team model used here, and credit it with improving service and cost outcomes.<sup>3</sup>*

<sup>1</sup> See Appendices 4 and 6. Report of Cost and Data Analysis; Report of Residential Case File Research

<sup>2</sup> See Appendix 1. Graphs of Case Type Distribution

<sup>3</sup> See Appendix 6. Report of Residential Case File Research



**RECOMMENDATION NO. 1:** The City and County governments should approve the use of appropriated CSA funds to establish a full-time Utilization Management (UM) Coordinator position to implement a comprehensive utilization management system. This new position is essential to implementation of other recommendations and strategies in this report. See job description in Appendix 13.

**Anticipated Outcomes:** The substantial additional effort that is needed in utilization management could be performed, resulting in less cost for services due to better assurance that purchased services are necessary and appropriate, provided by the best vendors, provided only to the extent needed and effective, and that intended service outcomes are clearly established and monitored. Funds already appropriated for CSA services may be used to pay for these activities. It is expected that resulting cost savings would at least pay for the position and would likely produce a net reduction in CSA service expenditures.

**RECOMMENDATION NO. 2:** The City and County governments should appropriate funds to establish a half-time FAPT Coordinator position to handle the administrative responsibilities of the FAPT process. Many of the recommendations that follow require this position to implement.

**Anticipated Outcomes:** A designated support position to coordinate the clerical functions of the FAPT process will enable the professional CSA Coordinator to focus on program management functions that can have a positive effect on cost control. See job descriptions in Appendix 13.

**RECOMMENDATION NO. 3:** The CSA Committee should form an implementation team to establish a single-FAPT model by July 1, 2004. The team should consider costs, benefits, and organizational issues in the CSA partner agencies to produce the design and plan for a new structure.

**Anticipated Outcome:** Based on the experience of benchmark localities that use this model, expected outcomes include a consistently higher level of expertise in the FAPT, better efficiency and effectiveness, and more consistent attention to cost issues.

## Utilization Management Recommendations

### Recommendations 1-3

1. Establish a full-time Utilization Management (UM) Coordinator position
2. Establish a half-time FAPT Coordinator position
3. Establish a single-FAPT model by July 1, 2004





# COMPREHENSIVE SERVICES ACT COST CONTAINMENT SUBCOMMITTEE REPORT

## Utilization Management Strategies

1. Review functions for efficiency.
2. Provide orientation and training for case manager staff.
3. Oversee a standardized, systematic reporting and auditing protocol.
4. Develop a shared resource database for all CSA agencies.
5. Select service providers that use effective service methodologies.
6. Require the “unbundling” of vendor combined service packages.
7. Continue current efforts to limit vendor rate increases.
8. Provide training on how to access alternative funding sources.
9. Ensure that programs and fees are structured to optimize non-CSA funding options.
10. Review local policies and procedures on determining eligibility for CSA foster care prevention.

## Implementation Strategies for Utilization Management

**Strategy 1.** The CSA Committee should review its functions, the functions of its subcommittee the Case Authorization and Review Team, and the functions and authority of CSA staff positions, and make any necessary changes for efficiency and effectiveness of the system.

**Anticipated Outcomes:** Ensuring the optimum efficiency of this complex system will result in better use of available resources to accomplish all necessary tasks.

**Strategy 2.** The CSA staff should provide ongoing orientation and training for case manager staff in the CSA agencies on vendor accountability and cost issues and develop new tools for use by case managers and FAPTs to monitor the CSA budget and expenditures.

**Anticipated Outcomes:** More consistent awareness, tools, and expertise throughout the system should result in better and more clearly defined outcomes from services and better cost control.

**Strategy 3.** The CSA Committee and UM Coordinator should oversee the implementation of a standardized, systematic reporting and auditing protocol for service providers, and collect, maintain, and disseminate information about vendor program outcomes and cost effectiveness.

**Anticipated Outcome:** Vendor accountability will be improved and better service outcomes can be achieved by selecting the most effective service providers

**Strategy 4.** The UM Coordinator should develop a shared resource database for all CSA agencies where staff can record and review evaluative information on service providers.

**Anticipated Outcomes:** Case managers will have a tool to select the best service providers, increasing service effectiveness. Effective services can reduce duration of services, reducing costs.



## Utilization Management Strategies

**Strategy 5.** The CSA Committee should ensure that necessary information is available for agency case managers to select service providers that use service methodologies of proven effectiveness whenever available.

**Anticipated Outcome:** Service outcomes for children and families will be improved through the use of proven practices. The need for multiple placements and extended services will be reduced, resulting in less cost.

**Strategy 6.** The CSA Committee and UM Coordinator should revise our contractual terms and conditions for vendors to require the “unbundling” of combined service packages.

**Anticipated Outcome:** Only those services deemed strictly necessary would be purchased, reducing cost.

**Strategy 7.** The CSA Committee and UM Coordinator should continue current efforts to limit vendor rate increases and explore all opportunities to negotiate lower rates or limit rate increases.

**Anticipated Outcome:** To the extent service fee increases can be controlled, costs will be reduced.

**Strategy 8.** The CSA Coordinator and UM Coordinator should provide ongoing training to case managers in the CSA agencies on how to access alternative funding sources.

**Strategy 9.** The CSA Committee and staff should negotiate with service providers and offer them technical assistance to ensure that programs and fees are structured to optimize non-CSA funding options such as Medicaid.

**Anticipated Outcomes:** The consistent use of alternative sources of service funding, including Title IV-E and Medicaid, will save local dollars.

**Strategy 10.** The CSA Committee should review local policies and procedures on determining eligibility for CSA foster care prevention and, if needed, clarify or revise them.

**Anticipated Outcome:** Clarity and consistency of criteria for foster care prevention eligibility will ensure cost effectiveness of those services.





# COMPREHENSIVE SERVICES ACT COST CONTAINMENT SUBCOMMITTEE REPORT

## Prevention Services

### Recommendations 4-6:

4. Establish two new Foster Care Prevention social worker positions in Social Services
5. Continued funding support for foster care prevention programs such as Bright Stars and the Family Support Program.
6. Direct additional local funding support to other prevention service programs using models with demonstrated success for children age 11 and older.

<sup>4</sup> See Appendix 1. Graphs of Case Type Distribution

<sup>5</sup> See Appendix 8. Report of In-Home Service Case File Research

<sup>6</sup> Outcome Data; Bright Stars and Family Support Programs, Albemarle County Department of Social Services

## II. Prevention Services

CSA costs are driven primarily by the number of children required to be served. The majority of those children are in foster care, and the second largest group is Special Education students. Although CSA costs in our localities are relatively high, this is due mainly to high caseloads and the increasing severity of children's needs; our average cost per case is the same or lower than the state average. Preventing children from entering foster care and reducing the need for out-of-school special education services is the single best way to control CSA costs.

**FINDING:** *In recent years older children, ages 12 and up, have become a larger percentage of the foster care CSA caseload. They are typically more difficult and costly to place and serve.*<sup>4</sup>

**FINDING:** *The rate of children in foster care in both the City and County exceeds the state average (36.9 per 1,000 children in the City, 8.4 in the County, and an average of 4.4 statewide; the national average is 7.5). Rates of children coming before the juvenile court are also high, and this is the avenue by which most children enter foster care. The number of children in foster care appears to reflect a community philosophy that is especially proactive in preventing children from "falling through the cracks."*

**FINDING:** *Reduction of the number of children in foster care will reduce CSA costs. Existing foster care prevention programs have documented success but lack the capacity to serve all children at high risk of placement.*<sup>5</sup>

**RECOMMENDATION NO. 4:** The City should take advantage of available federal funds in the Title IV-E Foster Care program to establish two new Foster Care Prevention social worker positions in Social Services. These funds can be accessed with a 50% local match. See job description in Appendix 13.

**RECOMMENDATION NO. 5:** The County should ensure continued funding support for foster care prevention programs such as Bright Stars and the Family Support Program.<sup>6</sup>



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**RECOMMENDATION NO. 6:** City Council and the Board of Supervisors should direct additional local funding support to other prevention service programs using models with demonstrated success for children age 11 and older, guided by data on service effectiveness available from the CCF and its Budget Review Team.

**Anticipated Outcome:** Reduction of the number of children in foster care will reduce CSA costs. The average cost for the various types of foster care placements is over \$50,000 per year. For children requiring intensive residential treatment, the average cost is over \$100,000 per year. In contrast, the average cost of foster care prevention services purchased from public and private provider agencies is about \$11,000 per year, and the cost of prevention services provided directly by a Social Services prevention worker in the City's Social Services department is about \$2,000 a year per case.

### III. Intervention Services

The CSA program intervenes when children require removal from their homes and placement in foster care or when their special education needs cannot be met in the local schools. Activities involved include assessment of service needs, service plan development, and provision of services by staff in the local CSA agencies and through purchase from other service providers.

**FINDING:** *High foster care caseloads (currently at least 33% higher in the City than maximums recommended by the Child Welfare League of America and the Council on Accreditation of Services for Families and Children) contribute to more frequent use of purchased services and placements that can last longer than necessary. Excessive caseloads also contribute to staff turnover, which perpetuates high caseloads and diminishes service effectiveness due to reduced continuity of care.*<sup>7</sup>

**RECOMMENDATION NO 7:** City Council and the Board of Supervisors should establish sufficient social worker positions to ensure that foster care caseloads do not exceed the maximums established by recognized national standards.

## Intervention Services

<sup>7</sup> See Appendix 7. Utilization Management Report



# COMPREHENSIVE SERVICES ACT

## COST CONTAINMENT SUBCOMMITTEE REPORT

## Intervention Services

### Recommendations 7-8

7. Establish sufficient social worker positions so that caseloads do not exceed the maximums established by recognized national standards.

8. Continue to strengthen social services staff retention efforts.

**Anticipated Outcome:** Reduction of work overloads in foster care will allow social workers adequate time to manage cases effectively, reduce reliance on purchased case management services, and move children through and out of foster care more efficiently.

**RECOMMENDATION NO. 8:** The City and County Departments of Social Services should continue to strengthen staff retention efforts, with particular attention to caseload size and salary, and to effectively manage transitions between staff to ensure continuity of care.

**Anticipated Outcome:** Lower staff turnover will mean a better trained and more experienced workforce, resulting in services of more consistent effectiveness which will contribute to cost control.

**FINDING:** *When children must be placed out of home on an emergency basis, there is often no local resource for placement due to severe behavior problems which local foster homes or facilities cannot manage. In these situations there may not be an opportunity to conduct a thorough assessment of problems and service needs prior to placement. This can contribute to unnecessarily high cost if children must be placed in more intensive treatment than would be necessary if there was opportunity for better assessment.*<sup>8</sup>

**FINDING:** *Some children, especially those with the most challenging problems, are rejected by or ejected from multiple treatment facilities. A group of high needs children studied were found to have been ejected from an average of 2.9 facilities that were unable to meet their needs. Some of this is attributed to the inability to conduct a thorough initial assessment of the child's needs due to the mandatory and emergency need for placement.*<sup>9</sup>

<sup>8</sup> See Appendices 3 and 7. Graph of Caseload Growth; Utilization Management Report

<sup>9</sup> See Appendix 3 Graph of Caseload Growth



## Intervention Services

**RECOMMENDATION NO. 9:** The City and County governments should support the CSA Committee in developing a local program or system to provide CSA-purchased comprehensive multidisciplinary assessment of any child who requires it.

**Anticipated Outcome:** Better assurance that services and treatment programs selected are as appropriate as possible and therefore more effective, reduction of the need for emergency placements out of the community before a complete assessment of needs is available, and reduction of the likelihood of placement disruption by ejection.

**RECOMMENDATION NO. 10:** The community should develop and implement local programs or facilities to accept and stabilize any child in a crisis situation who needs a CSA-funded emergency placement. There is space presently underutilized at the Blue Ridge Detention Center which could be considered for alternative programming of this type.

**Anticipated Outcome:** Children will not have to be placed in high cost out-of-community facilities solely due to the emergency need for placement. Temporary local placement and stabilization will allow for better assessment and service planning before proceeding with treatment.

**FINDING:** *Since 1997, there have been increasing numbers of autistic children served through CSA, particularly in the County. These children are typically among the most expensive to serve. The average cost of such placements can exceed \$200,000 per year.*

### Recommendations 9-10

9. Develop a local system to provide CSA-purchased comprehensive multidisciplinary assessment of any child who requires it.

10. The community should develop and implement local programs or facilities for children in a crisis situation needing CSA-funded emergency placement.



# COMPREHENSIVE SERVICES ACT COST CONTAINMENT SUBCOMMITTEE REPORT

## Strategies for Intervention Services

### Implementation Strategies for Intervention Services

**FINDING:** Placement in foster homes, including specialized “treatment” foster care, is usually less costly than residential facilities, and more likely to be local; however, there are not enough available foster homes to fully meet the need. In FY 2002, the City and County’s foster home program was unable to place 21 children due to insufficient numbers of available foster families. As a result these children had to be placed in more costly settings.<sup>10</sup>

**FINDING:** Multiple agencies often work simultaneously with the same child and family. Improved communication among service providers may enhance service efficiency and effectiveness.<sup>11</sup>

**FINDING:** Legal requirements for proof of “reasonable efforts” to prevent removal of children and to reunify families after removal contribute significantly to CSA costs and may result in provision of services that have little chance for effectiveness.<sup>12</sup>

**Strategy 1.** The Departments of Social Services, in collaboration with local private service providers, should continue and increase efforts to develop strategies to increase the pool of foster homes able to accept children with a wide range of needs.

**Anticipated Outcome:** The ability to serve more children locally in this kind of placement will save money and potentially improve service outcomes.

**Strategy 2.** The Commission should support and encourage development of a better system for interagency information sharing.

**Anticipated Outcome:** Reduction of duplicative efforts to gather information needed to provide services will increase efficiency, and better coordination of services provided will improve outcomes and help control costs.

**Strategy 3.** The CSA Committee should consider whether a dialog with Juvenile Court judges on the issue of reasonable efforts could be helpful, and proceed to do so if indicated.

**Anticipated Outcome:** If judicial expectations in this area can be clarified CSA dollars could potentially be saved by reducing the level of services provided and moving children out of foster care faster.

<sup>10</sup> In FY 2002, the City and County’s foster home program was unable to place 21 children due to insufficient numbers of available foster families. As a result these children had to be placed in more costly settings.

<sup>11</sup> Working Draft of THE INFORMATION SHARING PROJECT: A Report and Update by the Information Sharing Subcommittee of the Juvenile Justice Advisory Committee, December 2003.

<sup>12</sup> See Appendix 5: Subcommittee Member Survey



## V. Policy Issues

Changes in several policy areas could help reduce costs in the CSA program. The Subcommittee recommends that the local governments include these issues in their annual legislative agendas and advocate for them wherever possible:

**State funds for CSA administration.** The state funding provided for local CSA administrative costs is only \$30,380 per year, about 0.2% of total CSA expenditures in FY2003. There has been only one small increase in nine years, even as mandated administrative requirements have steadily grown. The localities currently supplement their formula match for these funds to support our CSA administrative staffing level, which is not sufficient for optimal effectiveness.

**RECOMMENDATION NO. 11:** Increasing state funding for local CSA administrative costs is a legislative priority for the Virginia Municipal League (VML) and Virginia Association of Counties (VACo), and should also be included in City and County legislative proposals.

**Court Services Unit caseloads.** High caseloads in the Court Services Unit can contribute to more frequent use of purchased services, placements that can last longer than necessary, and increased staff turnover.

**RECOMMENDATION NO. 12:** The State Department of Juvenile Justice and the General Assembly should provide the necessary resources to add staff positions to reduce caseloads to recommended levels and allow adequate time to manage cases effectively.

**Court dispositions for delinquent youth.** Due to changes in state law in 2000, Juvenile Court judges have less discretion to place delinquent children in Juvenile Justice facilities.<sup>13</sup> This results in more of these children being placed in foster care, where they are often unamenable to services yet very expensive to place and serve.

**RECOMMENDATION NO. 13:** The CSA Committee and staff should examine whether delinquent children are being placed in foster care

## Policy Issues

### Recommendations 11-13

11. Include increased state funding for CSA in City and County legislative proposals.
12. State Department of Juvenile Justice and the General Assembly should provide the necessary resources to add staff.
13. Examine whether delinquent children are being placed in foster care when less costly alternatives are available.

<sup>13</sup> See Appendix 12b: Report of Legal Research



# COMPREHENSIVE SERVICES ACT COST CONTAINMENT SUBCOMMITTEE REPORT

## Policy Issues

### Recommendations 14-15

14. The City and County should advocate for relief from state cost shifting and support VML and VACo legislative positions on this issue.

15. City Council and the Board of Supervisors should bring the problem of Title IV-E eligibility to the attention of their Congressional delegation and urge them to update eligibility guidelines.

when less costly alternatives are available that are equally effective. If indicated, legislative recommendations should be developed or the issue should be discussed with the Juvenile Court judges to determine if some of these cases can be diverted from the CSA program.<sup>14</sup>

**State-to-local cost shifting.** Public residential mental health treatment facilities for children have been virtually eliminated in the Commonwealth. Children with serious mental and emotional impairments who in the past would have been placed in state facilities now must be served by private programs with CSA funds, shifting costs for these services from state to local government.<sup>15</sup> The CSA Committee should further consider this finding and develop state legislative recommendations for consideration by the City and County to reduce cost shifting and save local CSA dollars.

**RECOMMENDATION NO. 14:** The City and County should advocate for relief from state cost shifting and support VML and VACo legislative positions on this issue.

**Title IV-E funding eligibility guidelines.** Title IV-E of the Social Security Act provides federal funds to states to pay some foster care costs for eligible children. These funds require no local match, so their use reduces local CSA costs. Despite rigorous and successful local efforts to identify children eligible for Title IV-E funds, the percentage of eligible children is decreasing due to family income eligibility guidelines that have been frozen for many years.

**RECOMMENDATION NO. 15:** City Council and the Board of Supervisors should bring this problem to the attention of their Congressional delegation and urge them to update eligibility guidelines.

<sup>14</sup> See Appendix 14: Articles on National Trends

<sup>15</sup> See Appendix 14: Articles on National Trends



## CONCLUSION

The CSA program is a state mandate that must be administered locally as a matter of law. All children in the mandate categories must be served, and caseloads have grown steadily. Costs are driven primarily by the number of cases, the severity of children’s service needs, and fees charged by service providers.

Charlottesville and Albemarle have had substantial success in implementing CSA, but the program has become increasingly complex and challenging to manage. The profile of the CSA program in Charlottesville and Albemarle today is minimal staffing and steadily increasing caseloads and costs. The program is administratively complex and challenging to manage, and our local CSA system is overburdened. State funding for administrative costs is insufficient to manage the program as effectively as possible. CSA staff in the Commission office, interagency personnel on the various CSA work groups, and staff in the several local CSA agencies have devoted enormous time and effort to designing and administering the system to be as efficient and cost effective as possible. Localities with better CSA cost experience typically have double or triple the administrative staff of Charlottesville and Albemarle. Additional system improvements possible with currently available resources are likely to be marginal. There is no simple solution to the CSA cost dilemma.

Improved cost control through prevention, better utilization management, and development of greater service capacity is possible, but the investment of new resources is needed for optimal success. Subcommittee members believe there will be a return on investment in excess of the new resources committed.

Staff in the CSA agencies and CCF office can implement some parts of these recommendations with existing resources; however, the following actions

## Conclusion

Improved cost control through prevention, better utilization management, and development of greater service capacity is possible, but the investment of new resources is needed for optimal success.





# COMPREHENSIVE SERVICES ACT

## COST CONTAINMENT SUBCOMMITTEE REPORT

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## Conclusion

by City and County government are necessary to accomplish most of the cost control measures recommended in this report:

- Establish a Utilization Management Coordinator position.
- Establish a part-time FAPT Coordinator position.
- Establish two additional Foster Care Prevention Social Workers in the City's Department of Social Services.
- Support adequate foster care program staffing in the Departments of Social Services as needed to ensure caseloads do not exceed recommended levels.
- Support continued funding for the County's Bright Stars and Family Support Programs.
- Direct additional funding support to other prevention service programs with demonstrated success for children age 11 and older.
- Advocate legislatively for changes in state and federal policy. ❖

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## List of Appendices

1. Graphs on Case Type Distribution
2. Graph of cost growth
3. Graph of caseload growth
4. Report of Cost and Data Analysis
5. Subcommittee Member Survey Instrument
6. Report of Residential Case File Research
7. Utilization Management Report
8. Report of In-Home Services Case File Research
9. Report of Best Practice Locality Research
10. Report of Case Manager Interviews
11. Report of Foster Care Prevention Statistical Research
12. Reports of Legal Research (2)
13. Job Descriptions for CSA Coordinator, FAPT Coordinator, UM Coordinator
14. Articles on national trends

## Cost Containment Acknowledgements

This report is the result of many hours of diligent effort by committee members and others. Gretchen Ellis completed an analysis of fiscal data. Erin Sutfin reviewed case files of youth in extended and costly placements to identify trends. Buz Cox and Paul McWhinney presented research about effective utilization management practices. Gretchen Ellis, Dana Neidley, and Cheryl Lewis researched utilization and impact of in-home preventative services. Erin Sutfin and Paul McWhinney interviewed CSA staff in communities with favorable cost containment outcomes to identify best practices. Katie Bullard conducted structured interviews with CSA case managers. Allyson Davies researched legal issues related to CSA. Buz Cox wrote this report, with assistance from other committee members. Amber Zavada of the Commission on Children and Families formatted the report. Their hard work and the work of the committee as a whole is gratefully acknowledged.

