

Status of Performance-Based Contracting Model Fourth Quarter Report

(FY2019 Appropriation Act - Public Act 207 of 2018)

September 30, 2019

Sec. 503. (1) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall continue to develop actuarially sound case rates for necessary child welfare services that achieve permanency by the department and private child placing agencies in a prospective payment system under a performance-based funding model.

(2) From the funds appropriated in part 1 for adoption support services, the department shall allocate \$50,000.00 by December 31 of the current fiscal year to conduct an actuarial study on rates paid to private child placing agencies for adoption incentive payments. The actuarial study shall include a full cost prospective rate payment system and shall identify and analyze contractual costs paid through the case rate developed by an independent actuary.

(3) By October 1 of the current fiscal year, from the funds appropriated in part 1 for adoption support services, the department shall allocate \$950,000.00 of state general fund/general purpose and any eligible federal matching funds to increase rates paid to adoption service providers by up to 10% for adoption placement, adoption finalization, and adoption permanency in all rate categories.

(4) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations committees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office a report on the full cost analysis of the performance-based funding model. The report shall include background information on the project and give details about the contractual costs covered through the case rate.

(5) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall continue an independent, third-party evaluation of the performance-based funding model.

(6) The department shall only implement the performance-based funding model into additional counties where the department, private child welfare agencies, the county, and the court operating within that county have signed a memorandum of understanding that incorporates the intentions of the concerned parties in order to implement the performance-based funding model.

(7) The department, in conjunction with members from both the house of representatives and senate, private child placing agencies, the courts, and counties shall continue to implement the recommendations that are described in the workgroup report that was provided in section 503 of article X of 2013 PA 59 to establish a performance-based funding for public and private child welfare services providers. The department shall provide quarterly reports on the status of

Status of Performance-Based Contracting Model Fourth Quarter Report

the performance-based contracting model to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices.

(8) From the funds appropriated in part 1 for the performance-based funding model pilot, the department shall continue to work with the West Michigan Partnership for Children Consortium on the implementation of the performance-based funding model pilot. The consortium shall accept and comprehensively assess referred youth, assign cases to members of its continuum or leverage services from other entities, and make appropriate case management decisions during the duration of a case. The consortium shall operate an integrated continuum of care structure, with services provided by both private and public agencies, based on individual case needs. The consortium shall demonstrate significant organizational capacity and competencies, including experience with managing risk-based contracts, financial strength, experienced staff and leadership, and appropriate governance structure.



Status of Performance-Based Contracting Model Fourth Quarter Report

The Michigan Department of Health and Human Services (MDHHS) continues to lead and utilize the Child Welfare Partnership Council to ensure stakeholder involvement in the implementation of the performance-based funding model. MDHHS has collaborated with Kent County MDHHS staff and the Kent County provider community involved in the West Michigan Partnership for Children (WMPC) to continue supporting the Kent County pilot.

The performance-based case rate funding model is intended to improve outcomes for children and families; allow for the effective allocation of resources to promote local service innovation, create service efficiencies, and incentivize service providing agencies to be accountable for achieving performance standards. The funding model reinforces positive outcomes and reinvests savings for continued improvements in the community. For example, as children safely return home from foster care more quickly, the savings that result from returning/keeping children in their homes will be reinvested in developing services that will fortify and support the community to prevent other children from entering foster care.

Data Overview

	Fiscal Year 2019				
	Quarter 1	Quarter 2	April 2019	May 2019	June 2019
New Referrals (Entries)	104	135	31	46	19
Monthly Program Closures (Exits)	125	88	46	67	32
Open Cases at the end of the Period	892	939	948	934	893

Data from prior months was updated to account for data entry lag.

Data Source: Data Warehouse

Data Run Date: May 30, 2019; August 26, 2019

Discharge Reasons	Fiscal Year 2018	Fiscal Year 2019						
		Quarter 1		Quarter 2		April 2019	May 2019	June 2019
Reunification with Parents	48%	43	34%	23	26%	29	36	12
Adoption	35%	48	38%	29	34%	8	13	16
Guardianship	7%	11	9%	9	10%	0	10	0
Emancipation	6%	4	3%	7	8%	8	2	2
Living with Relatives	1%	0	0%	1	0%	0	0	1
Other (AWOL, Transfer to another agency)	2%	19	15%	19	22%	1	6	1
Total Discharges		125		88		46	67	32

Data from the prior quarter was updated to account for data entry lag. Data Source: Data Warehouse

Data Run Date: May 30, 2019; August 26, 2019

Status of Performance-Based Contracting Model Fourth Quarter Report

Placement Settings for Children at the end of Specified Period Fiscal Year 2019										
	Quarter 1		Quarter 2		April 2019		May 2019		June 2019	
Total Open Cases	892		939		948		934		893	
Foster Home	291	33%	350	37%	321	34%	336	36%	337	38%
Relative	230	26%	262	28%	226	24%	227	24%	231	26%
Parental Home	122	14%	108	12%	152	16%	147	16%	125	14%
Residential Care	72	8%	76	8%	72	8%	73	8%	73	8%
Adoptive Home	105	12%	76	8%	97	10%	80	9%	60	7%
Independent Living	22	2%	18	2%	21	2%	17	2%	17	2%
Fictive Kin	16	2%	20	2%	17	2%	19	2%	19	2%
Shelter	7	1%	8	1%	4	0%	4	0%	6	1%
Guardian	10	1%	5	1%	16	2%	10	0%	6	1%
Other (i.e. Jail, Detention, AWOL, Hospital)	17	2%	16	2%	22	2%	21	2%	19	2%

Key Performance Indicators

Key Performance Indicators	Standard	*Statewide FY18 Performance	**WMPC FY18 Performance	WMPC FY19 Q1	WMPC FY19 Q2	April 2019	May 2019	June 2019
Caseworker-Child Visits	95%	81%	88%	96%	94%	96%	95%	96%
Caseworker-Parent Visits	85%	60%	62%	64%	66%	66%	67%	71%
Parent-Child Visits	85%	45%	51%	48%	43%	48%	52%	50%
Worker-Supervisor Conferences	95%	92%	96%	99%	100%	97%	97%	97%
Initial Service Plan Timeliness	95%	75%	70%	75%	88%	100%	93%	69%
Updated Service Plan Timeliness	95%	86%	89%	86%	91%	95%	93%	97%
Supervisor Approval Timeliness	95%	88%	87%	89%	87%	89%	93%	90%
Initial Medical Exam Timeliness	85%	85%	83%	84%	95%	79%	87%	83%
Annual Medical Exam Timeliness	95%	86%	82%	81%	90%	89%	88%	87%
Initial Dental Exam Timeliness	90%	85%	75%	90%	81%	84%	84%	61%
Yearly Dental Exam Timeliness	95%	80%	82%	81%	78%	89%	95%	86%

*Data retrieved: Monthly Management Report, September 2018, 12-month data

**Data retrieved: MDHHS Kent County Reports 10-1-17 to 9-30-18, Run Date 2/26/2019

Data Source: Data Warehouse

Data Run Date: August 8, 2019

Status of Performance-Based Contracting Model Fourth Quarter Report

Fiscal

Expenses - Cash Basis	FY18	*Revised FY19 Q1	*Revised FY19 Q2	FY19 Q3	FY19 Projected Spending Compared to FY18
Foster Care Administration	\$ 15,240,083	\$ 3,911,337	*\$3,947,918	\$3,855,665	↓
Caregiver Maintenance Expenses	\$ 3,648,410	\$ 1,034,043	*\$1,065,638	\$1,114,158	↑
Enhanced Foster Care Maintenance & Administration/ Incentives/ Treatment Foster Care Administration	\$ 1,053,168	\$ 769,197	*\$1,084,541	\$708,452	↑
Residential Expenses	\$ 10,525,555	*\$ 2,123,421	*\$2,060,536	\$2,247,017	↓
Shelter Expenses	\$ 1,167,662	*\$ 265,038	*\$375,775	\$276,530	↑
Ancillary Services	\$ 1,325,453	\$ 349,206	*\$156,190	\$475,489	↓
Adoption Administration	\$ 1,337,245	\$ 432,870	*\$288,636	\$451,434	↓

*Revised amounts.

Data Source: FY18-WMPC Accounting Report, FY19-Q2 Cost Report - FINAL, FY19-Q3 Cost Report.

Key Innovations and Status Updates

- WMPC, MDHHS Public Consulting Group (PCG), and PCG's contracted actuary, Lewis & Ellis, continue to work collaboratively to address budget challenges and the deficit WMPC is currently experiencing.
- The second annual evaluation report will be final in the next quarter. The report will include findings from the first year of the pilot.
- WMPC's Enhanced Foster Care (EFC) service continues to provide individualized treatment for children in general foster care who present with intensive behavioral or emotional needs. Between January 1, 2018 – June 30, 2019, WMPC provided this service to 131 children. EFC has assisted with maintaining community-based placements and has been a much-needed support for children stepping out of residential and into the community.
- Implementation of EFC continues to contribute to decreased placements in residential settings. Since WMPC launched on October 1, 2017, the percentage of children placed in residential placements has decreased by four percentage points. Based on WMPC expenditures on residential placements in the first nine months of fiscal year 2019, WMPC

Status of Performance-Based Contracting Model Fourth Quarter Report

expects to spend \$2.5 million less on residential in FY19 than in FY18.

- WMPC's performance and quality improvement team continue to analyze performance data and formally engages with its network providers monthly to discuss key performance measures, data quality, outcome measures, and quality improvement plans. WMPC also meets with providers on a quarterly basis to assess performance against the contract as a condensed review of contract compliance and achievement of outcomes. (Refer to attachment Fiscal Year 2019 Quarter Three Performance Report)
- WMPC is working collaboratively with MDHHS to develop a new performance framework for the duration of the pilot that more heavily focuses on the impact the funding model has on child level outcomes and is tied to the pilot's key goals.
- WMPC hired *Family Finders* who are assigned to every new case referred for foster care and immediately begin diligent search efforts to identify family members to serve as potential guardians, mentors, or supports to the child. This has contributed to Kent County MDHHS and WMPC increasing placements of children in relative care by 6% since 10/1/17. (Refer to Attachment WMPC Foster Home Analysis)
- WMPC's clinical liaison is working with the Director of Care Coordination and Innovation to ensure consistent approaches to trauma screens among partner agencies, thus ensuring children receive timely services at intake.
- WMPC began implementing a Utilization Management Model to ensure appropriate use of services and leadership involvement in permanency planning. With continued implementation of this model in the months of July and August, there have been at least five children who have exited residential and placed in community settings.
- WMPC became the first agency accredited in Michigan as a *Network Agency* through the Council on Accreditation (COA) following their on-site visit in May 2019.
- WMPC added two additional Board Members: Cheryl Schuch, Executive Director of Family Promise, and Sally Andreatta, Executive Director of the Grand Rapids Student Advancement Foundation. These board members joined Dr. Nkechy Ezeh, Executive Director of the Early Learning Neighborhood Collaborative, and Kayla Morgan, a former foster youth and founder and owner of Resilient Roots, a trauma-informed yoga practice who started on WMPC's Board last quarter. WMPC has three additional board slots to fill to fulfill its objective of adding seven members representative of the diversity of the community and to allow for a non-provider quorum. These seven board members are in addition to the original five-member board of directors, comprised of a representative from each of the five private case management agencies that comprise the consortium (Bethany Christian Services, Catholic Charities West Michigan, D.A. Blodgett – St. John's, Samaritas, and Wellspring Lutheran Services).

Attachments:

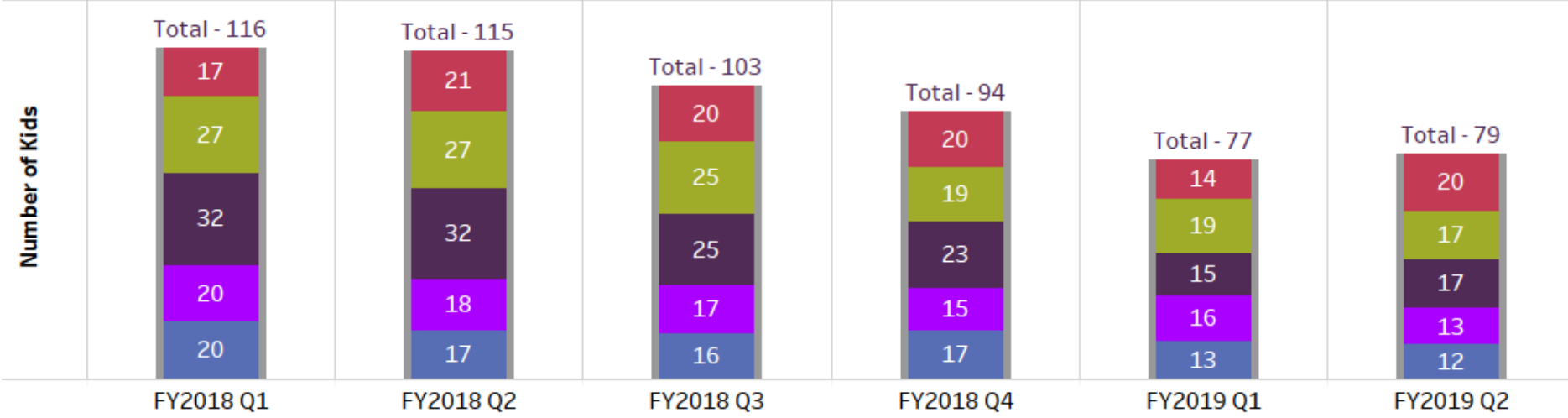
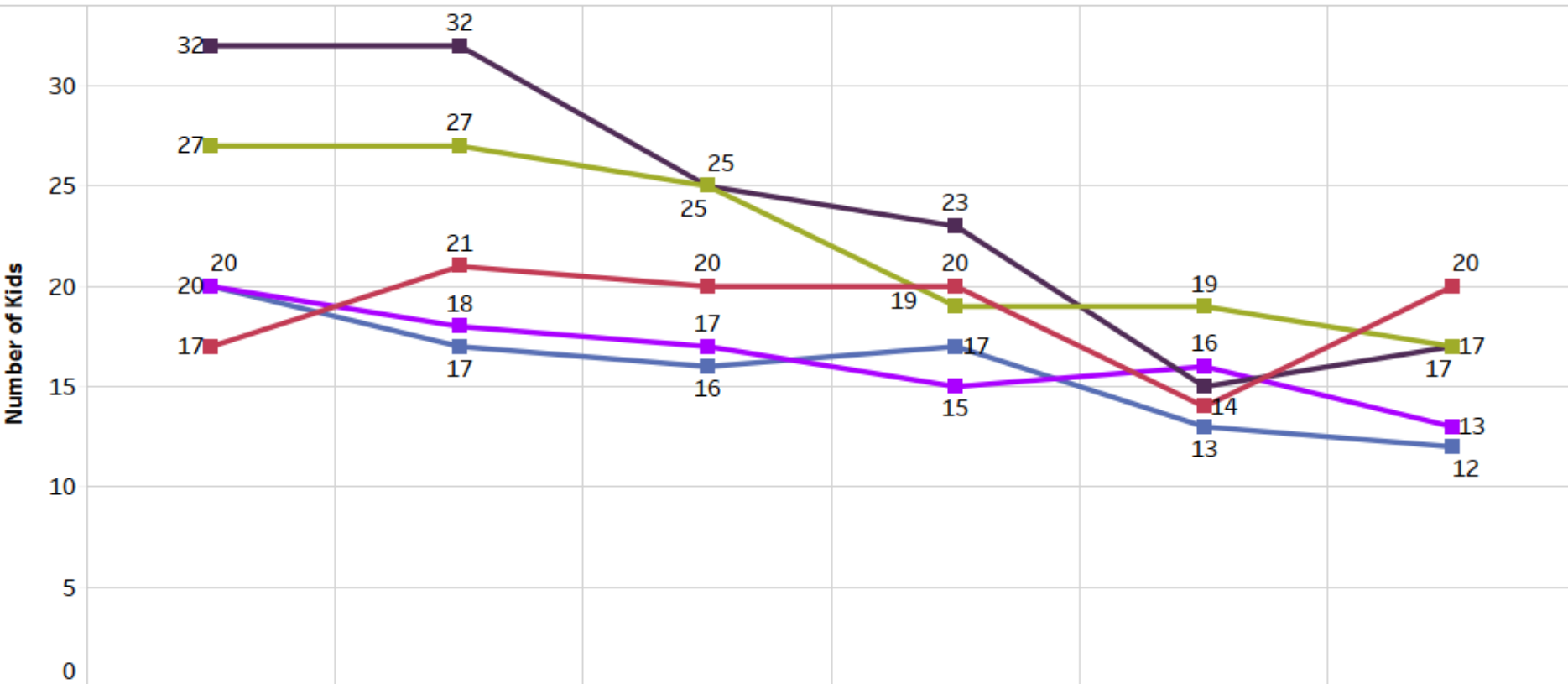
- Fiscal Year 2019 Quarter Three Performance Report
- WMPC Foster Home Analysis

Judge's Quarterly
Management Review
August 7th, 2019

Foster Home Analysis

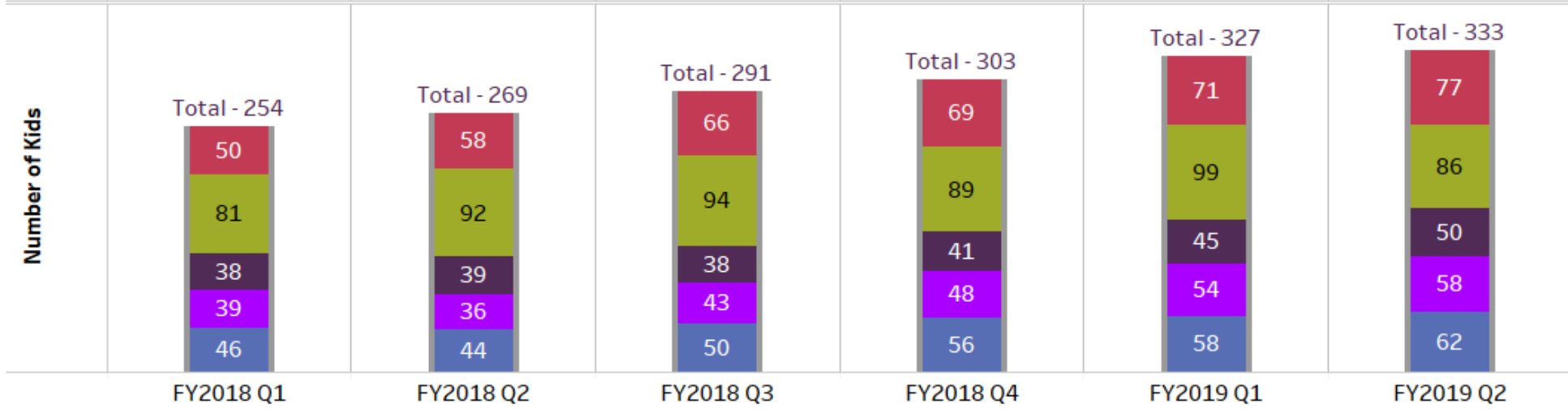
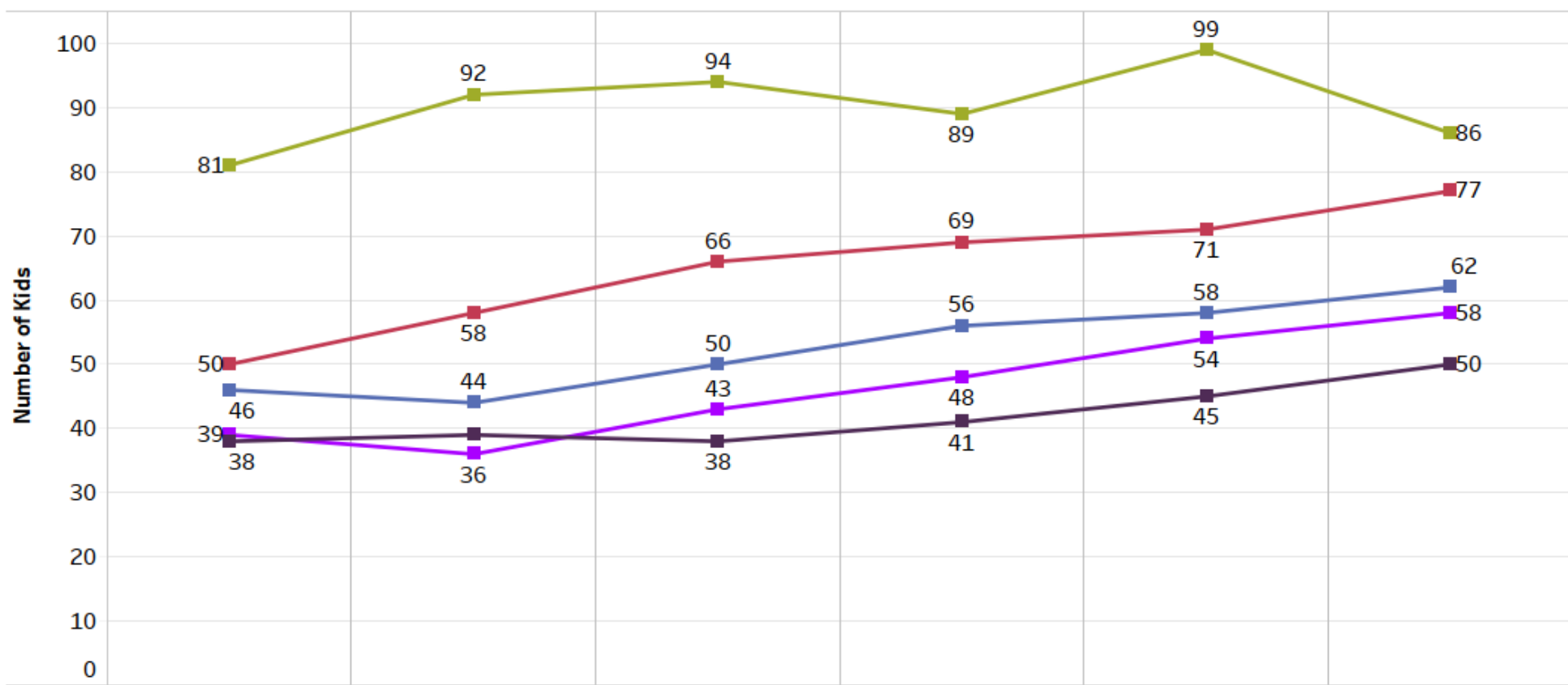
Residential use by agency (FY2018 - FY2019)

- Agency
- Bethany Christian Services Inc-Grand Rapids
 - Catholic Charities West Michigan - GR
 - Da Blodgett For Children
 - Samaritas - West
 - Wellspring Lutheran Services Kentwood



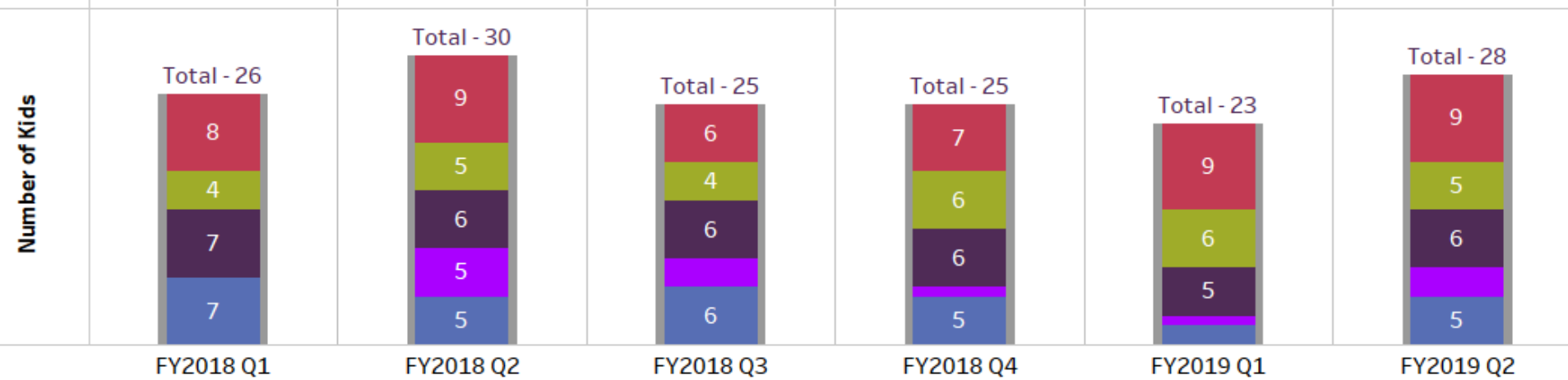
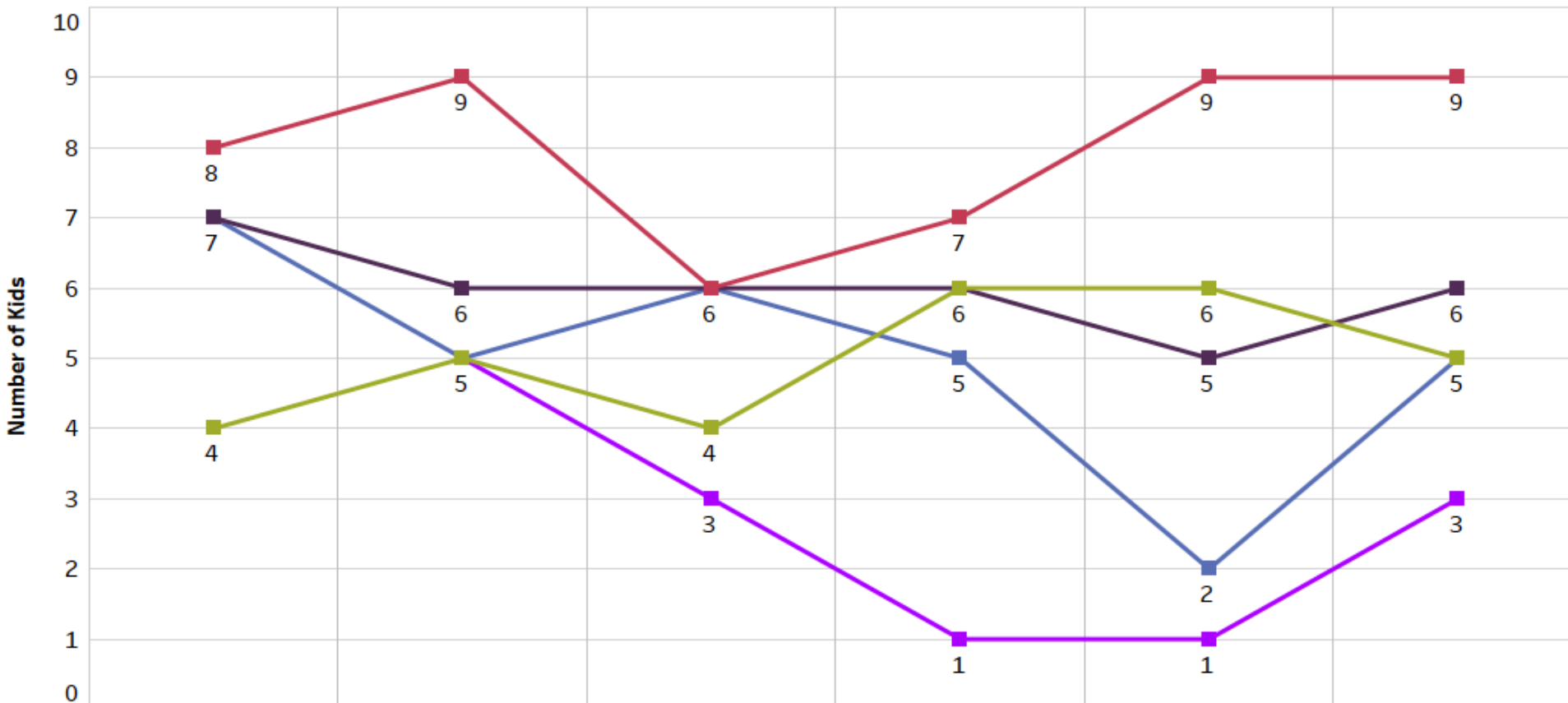
Relative Home use by agency (FY2018 - FY2019)

- Agency Name**
- Bethany Christian Services Inc-Grand Rapids
 - Catholic Charities West Michigan - GR
 - Da Blodgett For Children
 - Samaritas - West
 - Wellspring Lutheran Services Kentwood

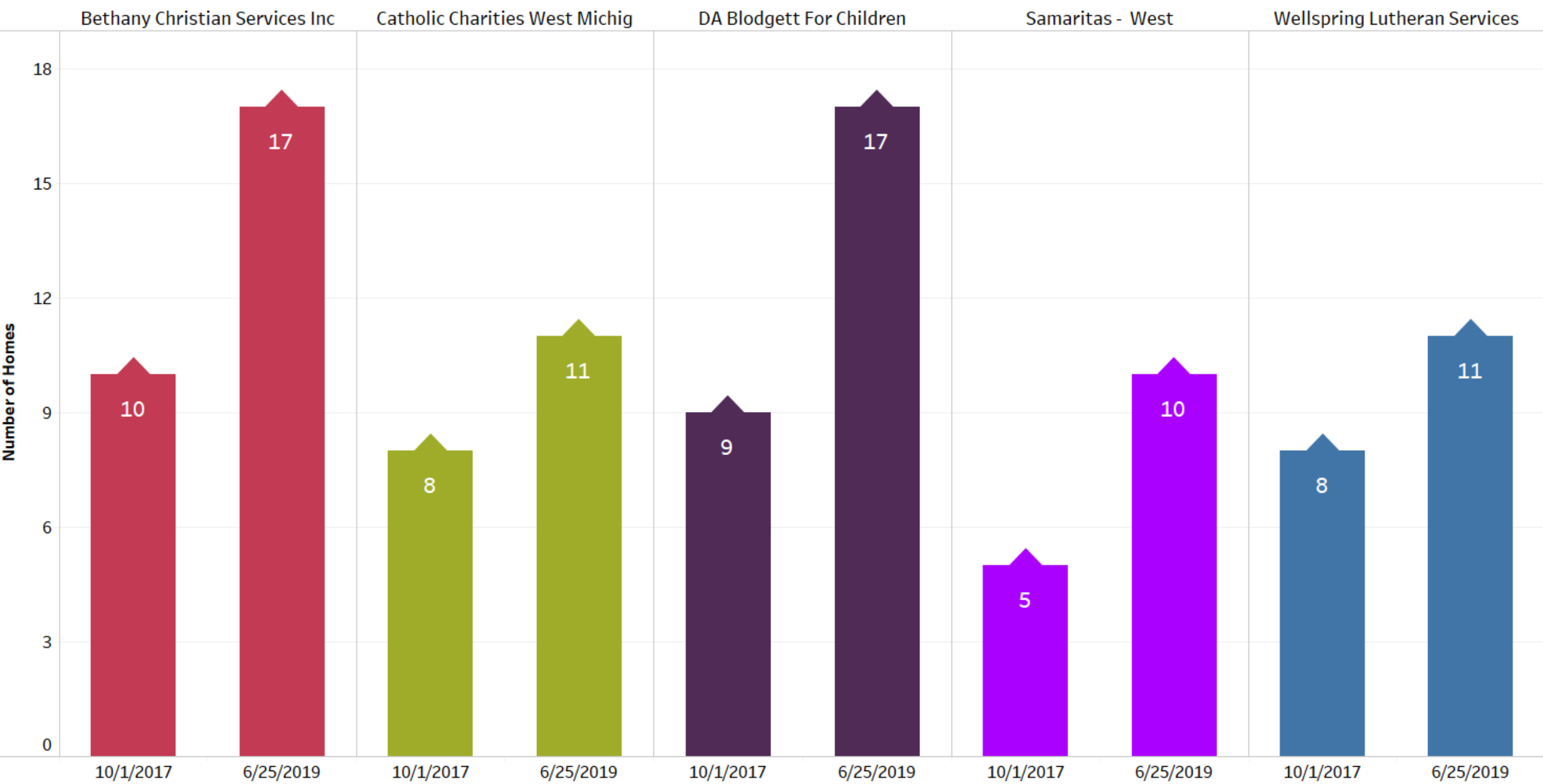


Shelter usage by agency (FY2018 - FY2019)

- Agency**
- Bethany Christian Services Inc-Grand Rapids
 - Catholic Charities West Michigan - GR
 - Da Blodgett For Children
 - Samaritas - West
 - Wellspring Lutheran Services Kentwood



Number of licensed foster homes in high removal zip codes (as of 10/1/17 and at 6/25/19)







WMPC Network
Quarterly Review Report
April – June 2019




FY 2019 YTD (10/1/2018 – 6/30/2019) Performance

Source: MiSACWIS Info View Reports, retrieved 8/6/2019

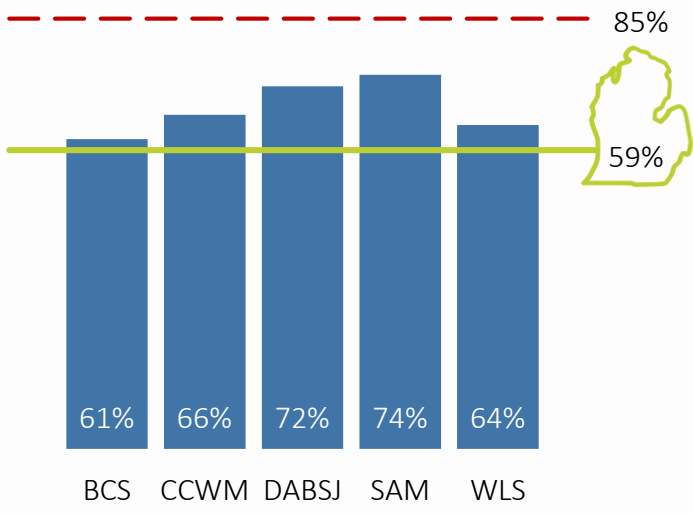
		Worker-Child	Worker-Parent	Parent-Child	Worker-Supervisor
Social Work Contacts 	Benchmark	95%	85%	85%	95%
	<i>WMPC Network Total</i>	95%	65%	47%	99%
	Bethany Christian Services	97%	61%	44%	99%
	Catholic Charities West Michigan	96%	66%	48%	99%
	D.A. Blodgett-St. Johns	94%	74%	37%	100%
	Samaritas	95%	68%	50%	98%
	Wellspring Lutheran Services	93%	58%	38%	98%

		Initial Medical	Yearly/Periodic Medical	Initial Dental	Yearly Dental
Medicals & Dentals 	Benchmark	85%	95%	90%	95%
	<i>WMPC Network Total</i>	83%	84%	74%	83%
	Bethany Christian Services	81%	85%	70%	87%
	Catholic Charities West Michigan	91%	89%	83%	99%
	D.A. Blodgett-St. Johns	83%	89%	86%	90%
	Samaritas	77%	82%	72%	70%
	Wellspring Lutheran Services	84%	68%	64%	62%

		Initial Service Plans	Updated Service Plans	Plan Approvals
Service Plans 	Benchmark	85%	85%	95%
	<i>WMPC Network Total</i>	84%	91%	89%
	Bethany Christian Services	94%	93%	90%
	Catholic Charities West Michigan	82%	99%	97%
	D.A. Blodgett-St. Johns	90%	85%	84%
	Samaritas	81%	91%	94%
	Wellspring Lutheran Services	71%	83%	79%

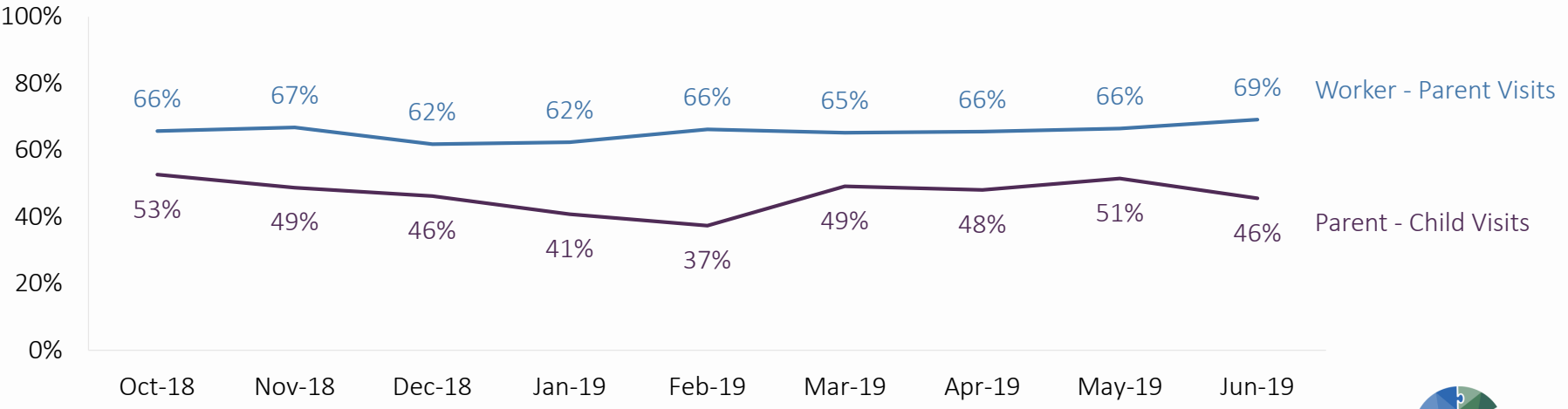
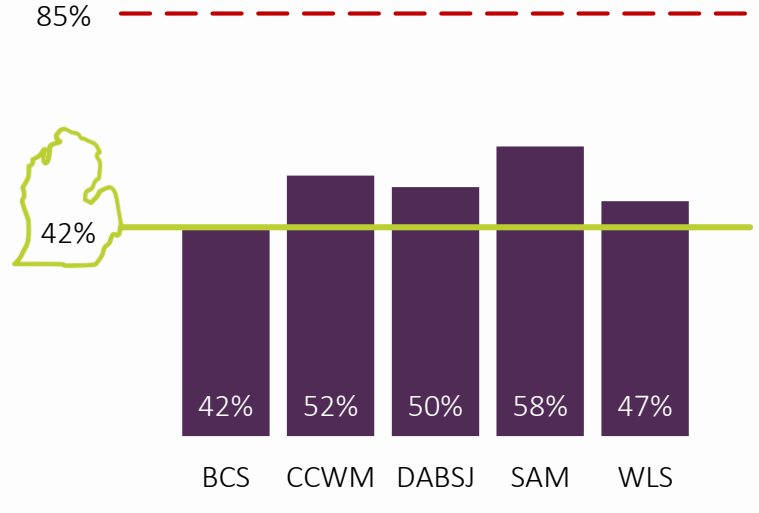
Worker - Parent Visits

At least 85% of parents whose children have a permanency goal of reunification shall have face to face contact by the assigned caseworker in accordance with the guidelines in FOM.



Parent - Child Visits

No fewer than 85% of children with a goal of reunification shall have visitation with their parent(s) at least weekly for youth six years old or older and at least twice per week for youth 0-5 years old.

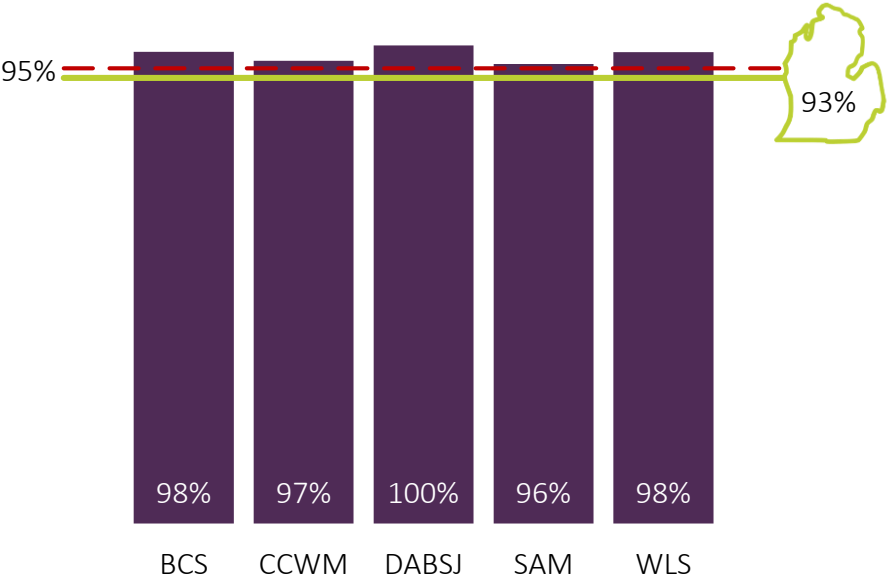


Source: MiSACWIS Social Work Contacts Timeliness Info View Report, retrieved August 6, 2019; MDHHS Children's Services Agency - MMR Scorecard statewide performance, April - June, 2019



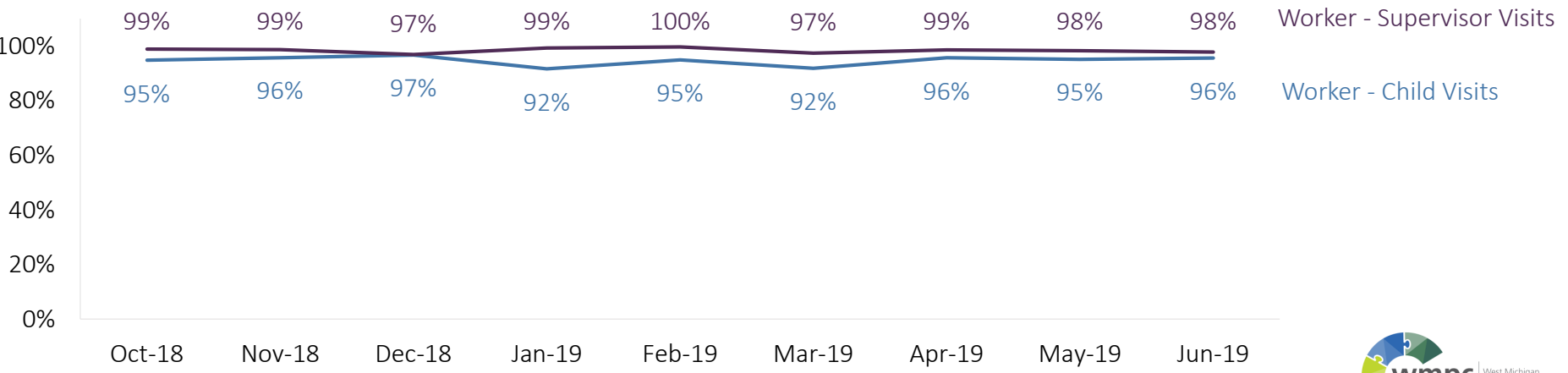
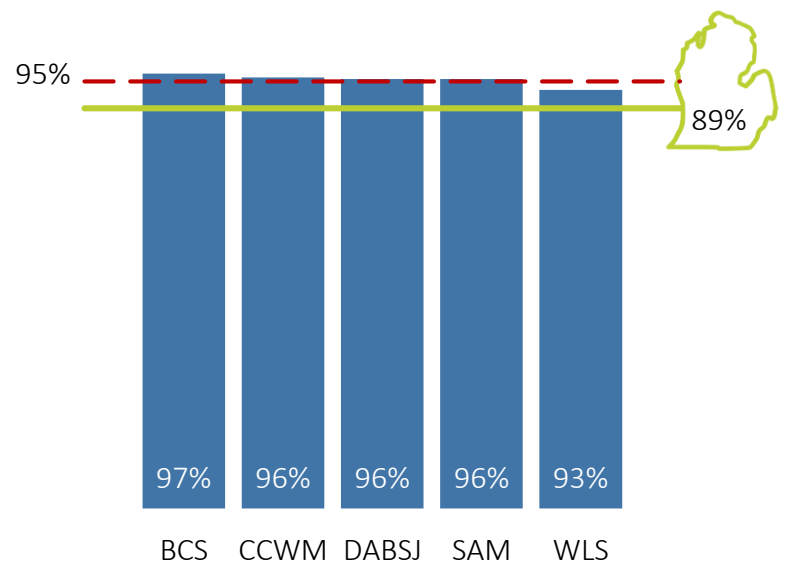
Worker - Supervisor Visits

At least 95% of supervisors shall meet at least monthly with each assigned case worker to review the status and progress of each case on the worker's caseload.



Worker - Child Visits

At least 95% of children will be visited by their assigned worker.



Source: MiSACWIS Social Work Contacts Timeliness Info View Report, retrieved August 6, 2019; MDHHS Children's Services Agency - MMR Scorecard statewide performance, April - June, 2019

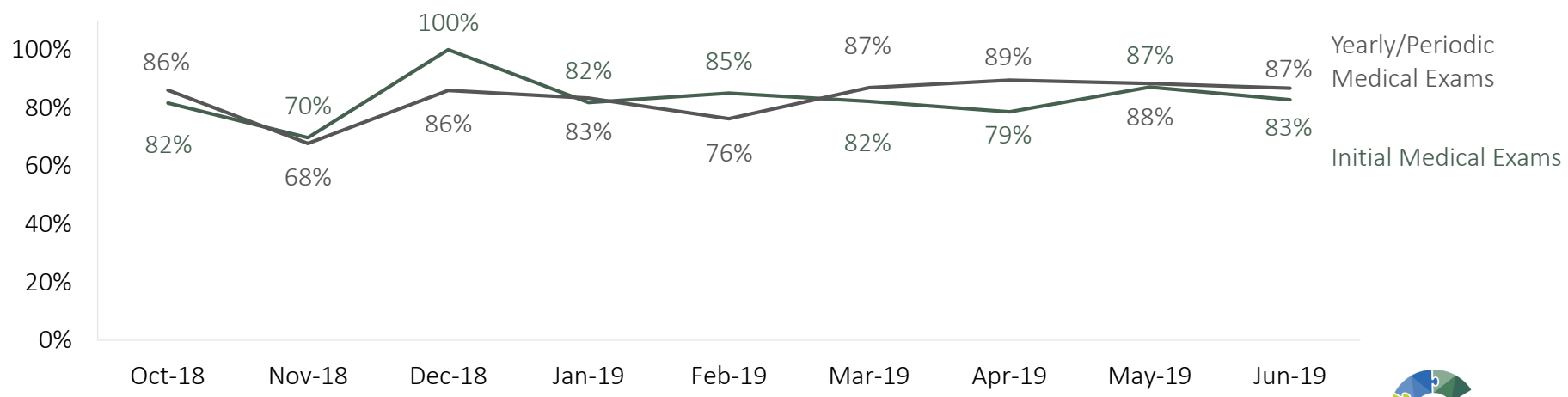
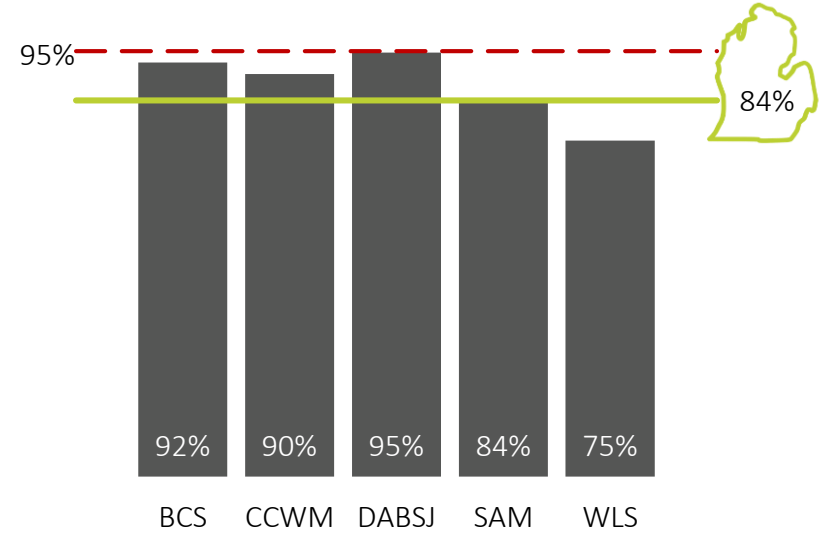
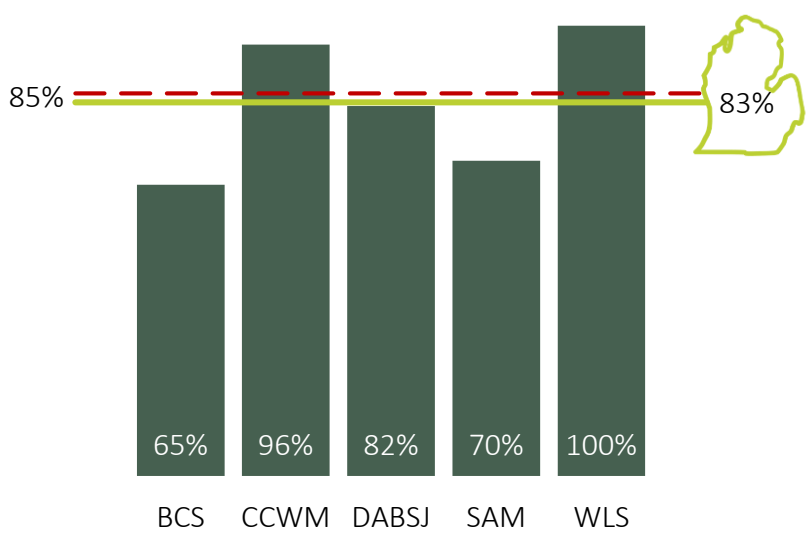


Initial Medical Exams

At least 85% of children will have an initial medical examination within 30 days of removal.

Yearly/Periodic Medical Exams

Following an initial medical examination, at least 95% of children shall receive periodic medical examinations and screenings according to the guidelines set forth by the American Academy of Pediatrics.

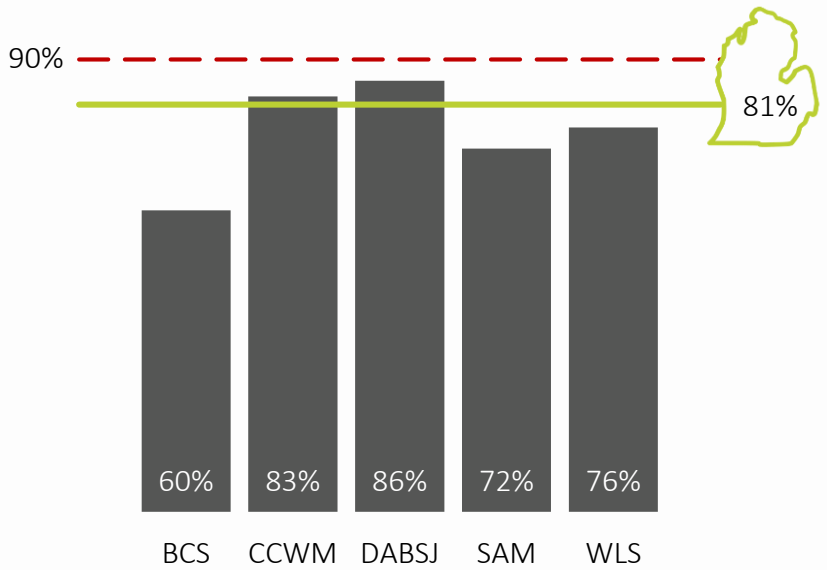


Source: MiSACWIS Medical Exam Timeliness Info View Report, retrieved August 6, 2019; MDHHS Children's Services Agency - MMR Scorecard statewide performance, April - June, 2019



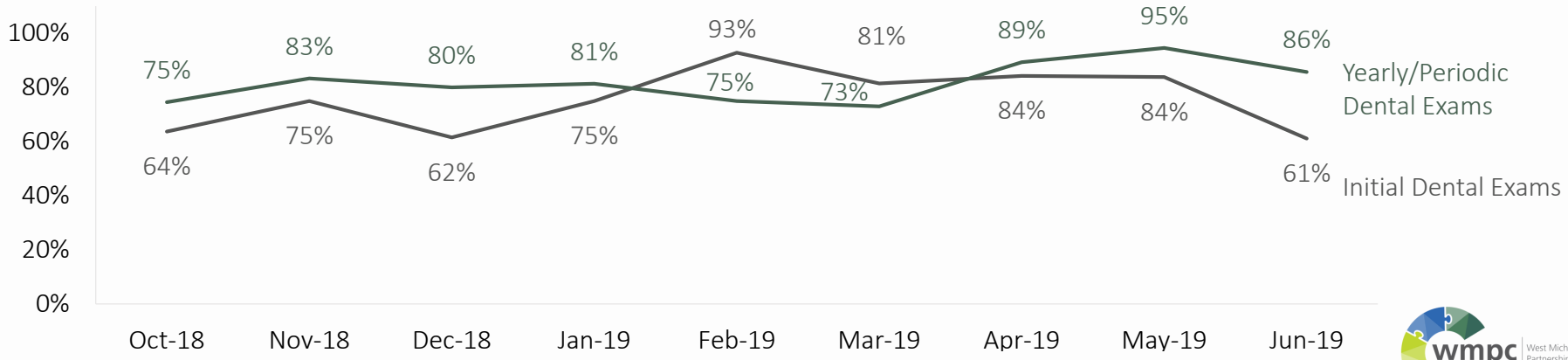
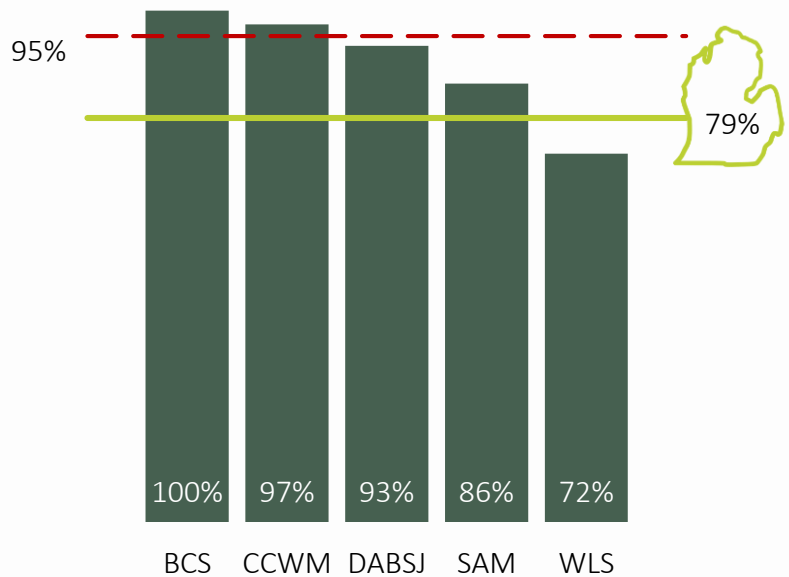
Initial Dental Exams

At least 90% of children shall have an initial dental examination within 90 days of removal unless the child has had an exam within six months prior to placement or the child is less than four years of age.



Yearly Dental Exams

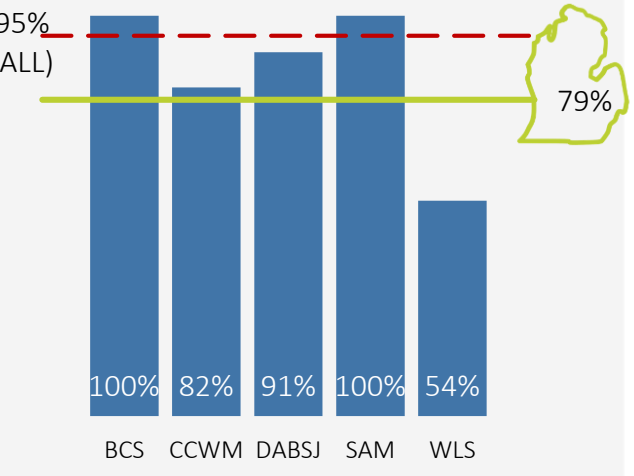
At least 95% of applicable children shall have a dental examination at least every 12 months.



Source: MISACWIS Dental Exam Timeliness Info View Report, retrieved August 6, 2019; MDHHS Children's Services Agency - MMR Scorecard statewide performance, April - June, 2019

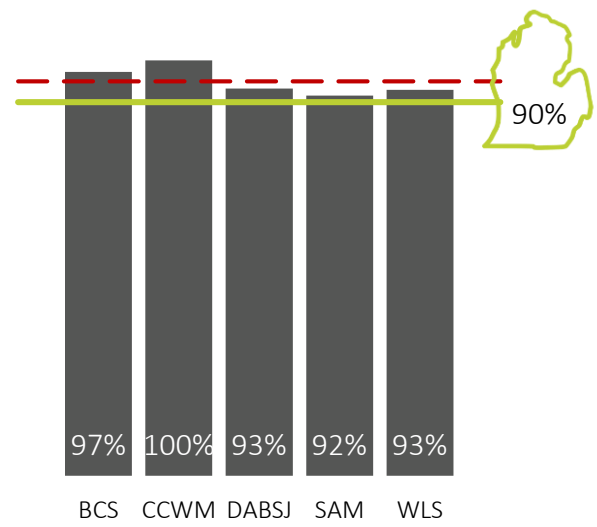
Initial Service Plans

At least 95% of children shall have an initial service plan completed within 30 days of entry into foster care and quarterly thereafter in accordance with the guidelines in FOM.



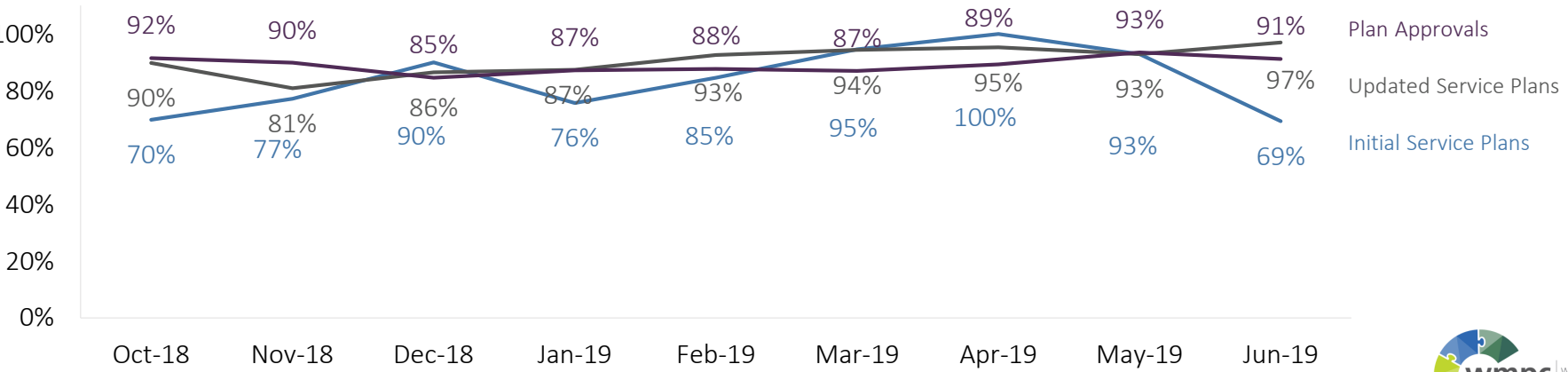
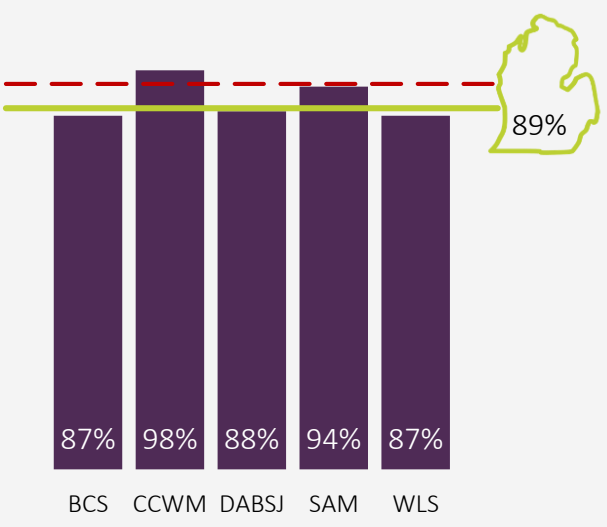
Updated Service Plans

At least 95% of children shall have a service plan updated quarterly.



Plan Approvals

At least 95% of children shall have a case service plan approved within 14 days of case worker submission to the supervisor for review per FOM 722-09 policy.



Source: MISACWIS Caseworker Service Plan Timeliness Info View Report, retrieved August 6, 2019; MDHHS Children's Services Agency - MMR Scorecard statewide performance, April - June, 2019



Adoption Disruptions

0% *There were no adoption disruptions between October 1, 2018 – June 30, 2019.*



Adoption Finalizations

