

FORECAST ANALYSIS: BEHAVIORAL REHABILITATION
SERVICES, SUPERVISED VISITATION, AND CHILD
PROTECTIVE SERVICES FULL-TIME EQUIVALENT



Washington State Department of
CHILDREN, YOUTH & FAMILIES



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Executive Summary

This report is prepared in compliance with House Bill 2008, which Sections 5 and 6 states the following:

“NEW SECTION. Sec. 5. A new section is added to chapter 43.88 RCW to read as follows: For the purposes of this chapter, expenditures for the following foster care, adoption support and related services, and child protective services must be forecasted and budgeted as maintenance level costs: (1) Behavioral rehabilitation services placements; (2) Social worker and related staff to receive, refer, and respond to screened-in reports of child abuse or neglect; (3) Court-ordered parent-child and sibling visitations delivered by contractors; and (4) Those activities currently being treated as maintenance level costs for budgeting or forecasting purposes on the effective date of this section including, but not limited to: (a) Adoption support and other adoption-related expenses; (b) foster care maintenance payments; (c) child-placing agency management fees; (d) support goods such as clothing vouchers; (e) child aides; and (f) child care for children in foster or relative placements when the caregiver is at work or in school. NEW SECTION. Sec. 6. (1) No later than December 1, 2020, the department of children, youth, and families shall report to the appropriate committees of the legislature on the actual and projected funding levels in fiscal years 2019 through 2021 for section 5 (1) through (3) of this act and compare them to expenditures prior to inclusion in the maintenance level forecasting and budgeting process. (2) This section expires January 1, 2021.”

Introduction

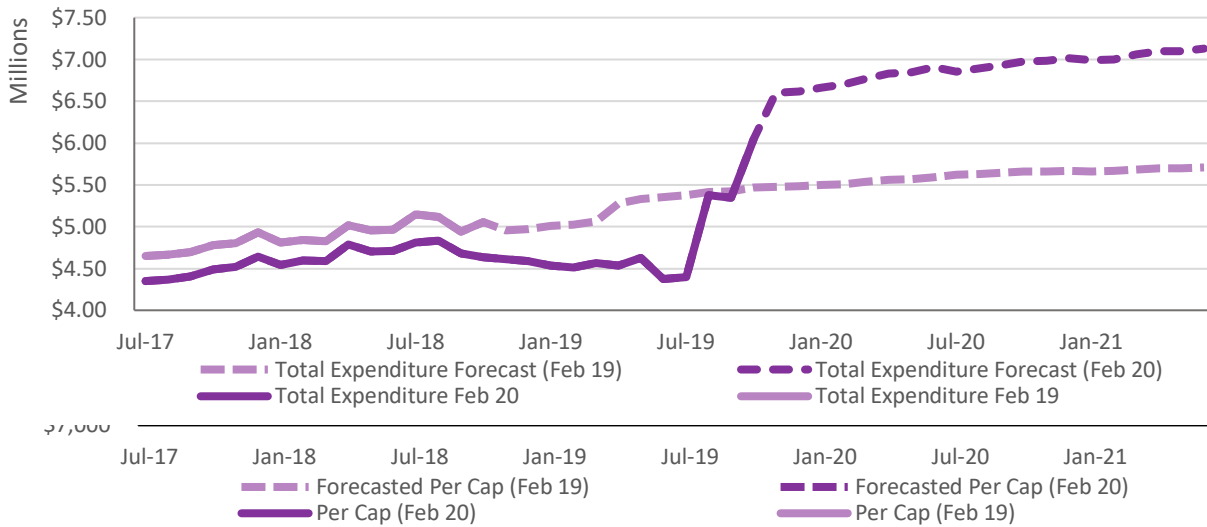
In accordance with House Bill 2008 Sec 6. (1), the Department of Children, Youth and Families (DCYF) presents an analysis of behavioral rehabilitation services placements (BRS), child protective service full-time equivalent (CPS FTE), and court-ordered parent-child and sibling visitations (Visitation). One of the most prevalent factors that come up in our comparison, is the stark difference between caseload projections adopted by the Caseload Forecast Council (CFC) and what the child welfare system experienced. Across the board, child welfare service caseloads are down, which these differences have reverberated in our forecast and have led to a cumulative underspend.

Behavioral Rehabilitation Services

The BRS forecast has had a complex mix of caseload decrease paired with increasing costs. This program has undergone substantial changes in the last couple of years that make it especially dynamic. After many years of increasing caseload, there was a brief plateau then it began to decrease in late 2018. The caseload is generally considered to be decreasing due to a lack of placement options. In an effort to increase placement options DCYF conducted a rate study and determined there was a need to significantly increase the rate to ensure programmatic sustainability in the future.

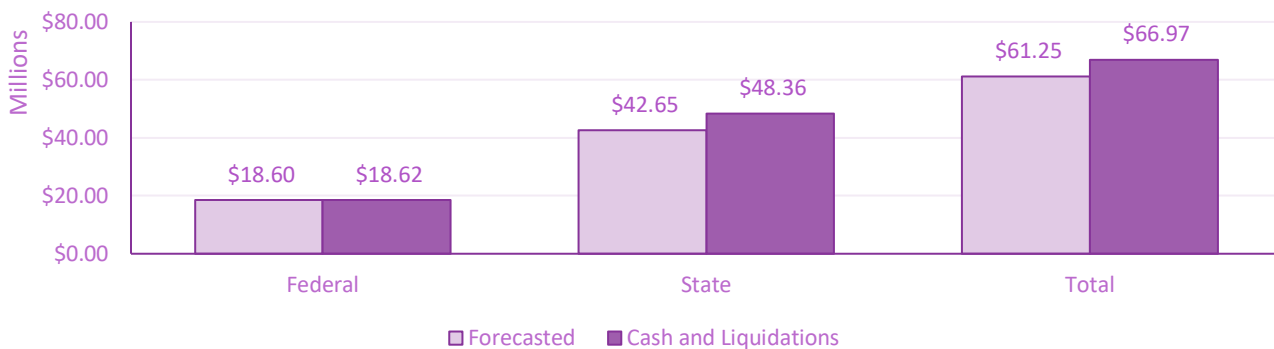
This rate study was used to develop a significant rate increase that was implemented in October 2019. Although the rate at which providers are compensated for providing BRS services has increased, it would appear to not have had a large impact on expenditures. The rate increase can be seen in both per cap and total expenditures through fiscal year 2019.

BRS Total Expenditure Forecasts



In fiscal year 2019, DCYF implemented an incentive payment to all providers who were on track to complete their Quality Residential Treatment Program accreditation by the Oct. 1, 2019 deadline. This payment was intended to incentivize and offset the costs of accreditation. The provider community found this incentive to be desirable, so participation in the incentive program was almost universal within the BRS community with only a few providers choosing not to participate. It was this widespread participation that led to the overspend in BRS for FY19 as shown in the chart below.

Fiscal Year 2019 BRS Forecast to Expenditures Comparison

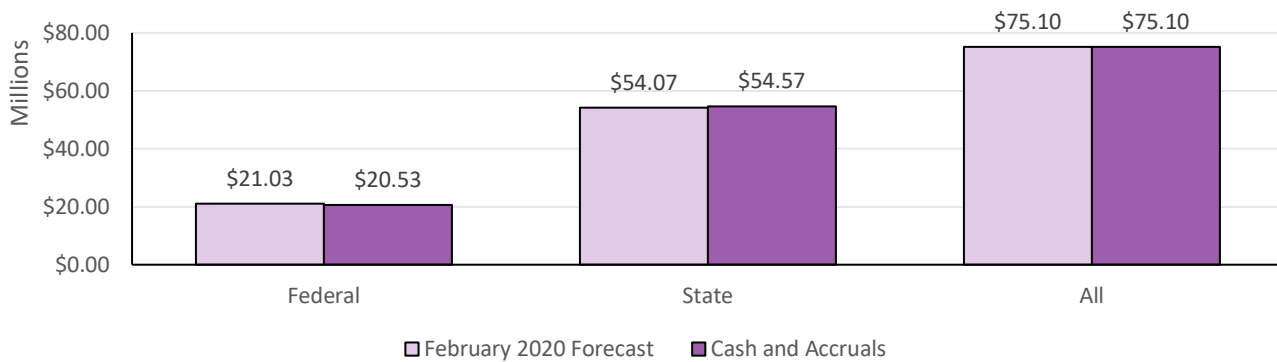


State Fiscal Year 2019				
Funding Type	February 2019 Forecast	Cash and Liquidations	Difference	
Federal	\$ 18,598,988	\$ 18,617,619	\$ (18,631)	
State	\$ 42,648,535	\$ 48,355,224	\$ (5,706,689)	
All	\$ 61,247,523	\$ 66,972,843	\$ (5,725,320)	

Although there were other rate implementations happening concurrently, the majority of the forecasted increase from February 2019 to February 2020 is due to the BRS rate increase passed by the Legislature. Based on the Fiscal Year 2020 year-end close expenditures portrayed on page 4, the February 2020 forecast seems fairly precise; however, given there is a lag between services rendered and payments issued, the expenditures will continue to mature and therefore, the December 2021 report will include a comparison of the February 2020 forecast to mature fiscal year 2020 expenditures.

In finishing out fiscal year 2020, some per cap increase are expected with the decrease in caseload. As the caseload shrinks, the youth with the most needs will remain, which will increase the per cap cost for these youth. Even with these increases, DCYF is projecting a decreasing trend in both caseload and total expenditures before leveling off.

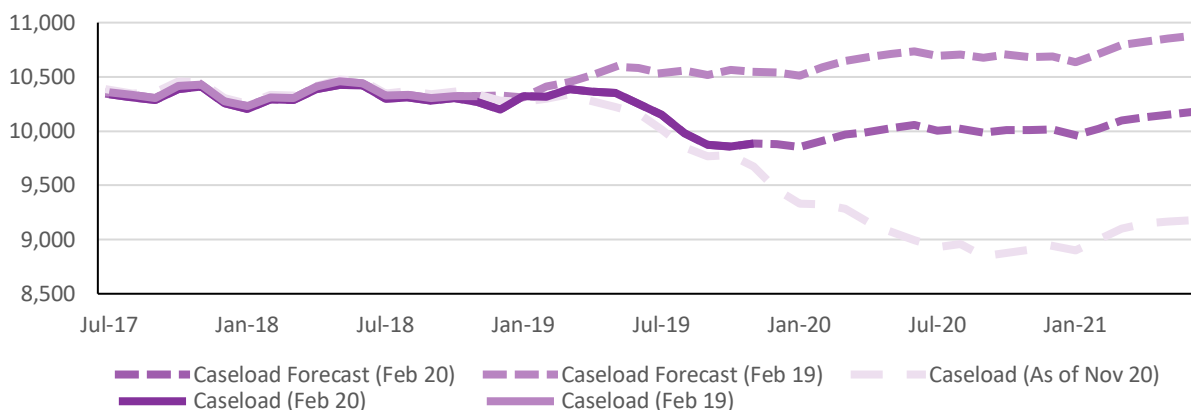
**Fiscal Year 2020
BRS Forecast to Cash and Liquidations Comparison**



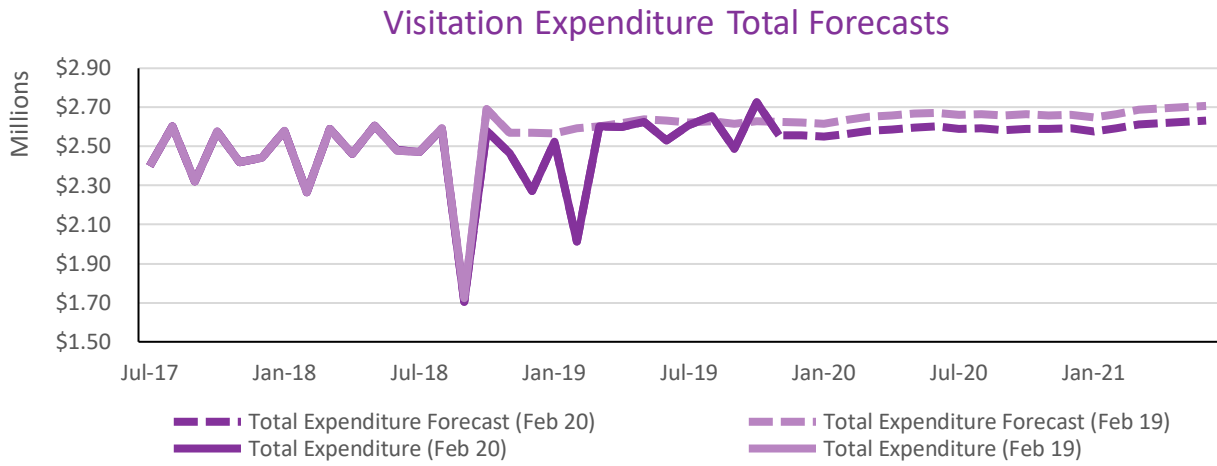
Visitation

The Visitation forecast is based on the caseloads of basic foster care, unlicensed foster care, and behavioral rehabilitation services. The per capita cost, although not as stark as BRS, is also declining. Given the Visitation forecast, is a sum of these caseloads and the Foster Care Per Capita cost is declining, it's expected the Visitation forecast will also decline.

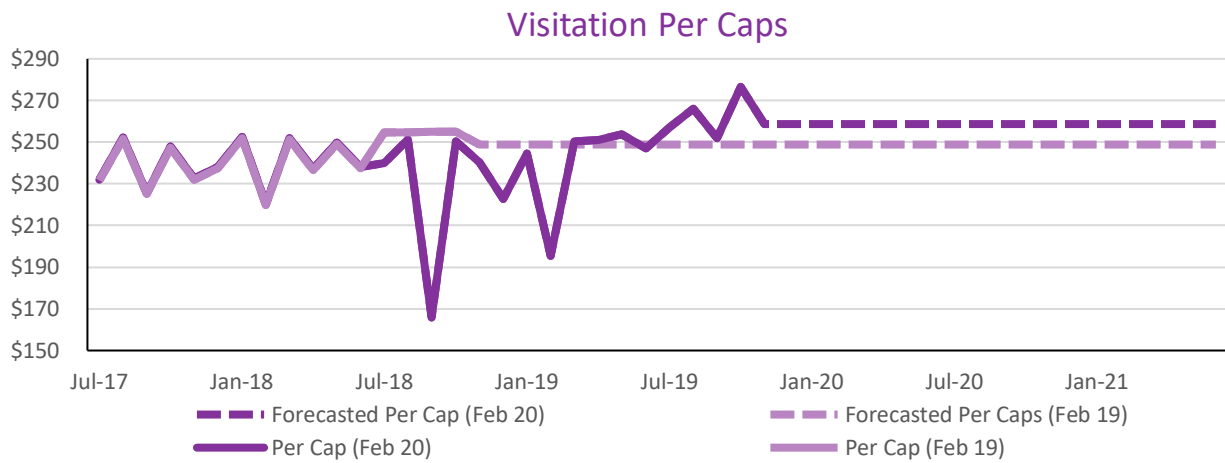
Basic Foster care, Unlicensed, and BRS Caseload Forecasts



Total expenditures for visitation services had been weakly increasing prior to the creation of the forecast but since the development of the forecast, expenditures have remained fairly steady, if not weakly decreasing now.

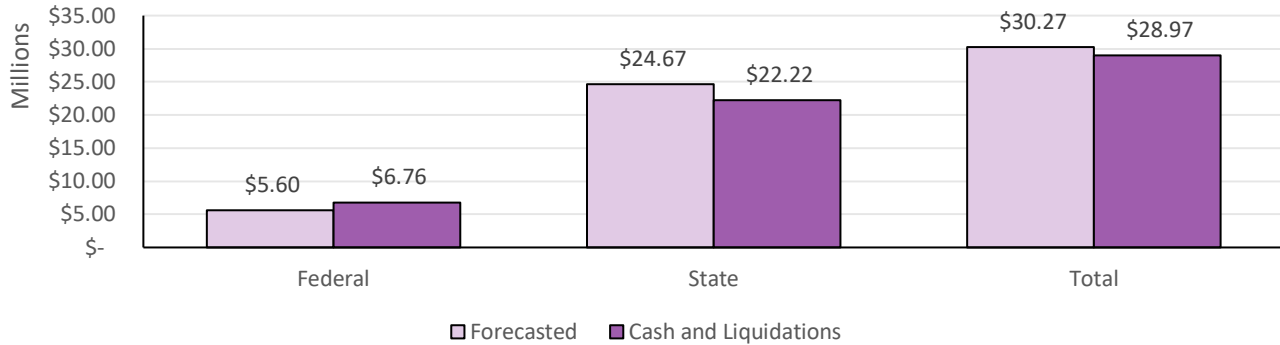


Per capita costs are increasing slightly, as expenditures stay relatively flat, or at least decline slower than the caseload during the same period, which causes the per cap to increase over time as the costs outpace the caseload in change.



The effect of the declining caseload can be seen in the chart on page 6, showing the difference between the 2019 forecast and the expenditures. In fiscal year 2019, Visitation experienced a drop from October 2018 to March 2019 before leveling off. This is attributed to the 2019 forecast assuming both a relatively stable per capita rate and an increase in caseload. Together these assumptions would lead to an overestimation of expenditures for the remainder of the year.

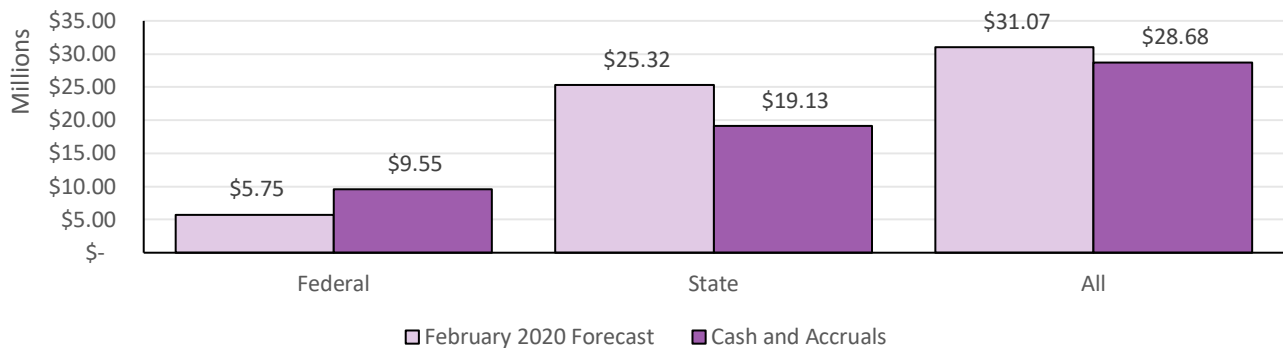
Fiscal Year 2019 Visitation Forecast to Expenditures Comparison



State Fiscal Year 2019			
Funding Type	February 2019 Forecast	Cash and Liquidations	Difference
Federal	\$ 5,599,672	\$ 6,755,726	\$ (1,156,054)
State	\$ 24,668,824	\$ 22,216,817	\$ 2,452,007
All	\$ 30,268,496	\$ 28,972,543	\$ 1,295,953

The same assumptions as outlined above had similar impacts on the forecasted costs of supervised visits in fiscal year 2020. The number of families and youth requiring the service continued to dip below expected numbers. In addition, COVID-19 brought unique complications in the ability for DCYF to safely deliver this service in-person to clients in the final quarter of fiscal year 2020. Although retainer payments were issued to providers, this effectively kept expenditures stable. Prior to the pandemic visitation had seen a slow and steady increase which if sustained may have reduced the variance between the forecast and expenditures.

Fiscal Year 2020 Visitation Forecast to Cash and Liquidations Comparison

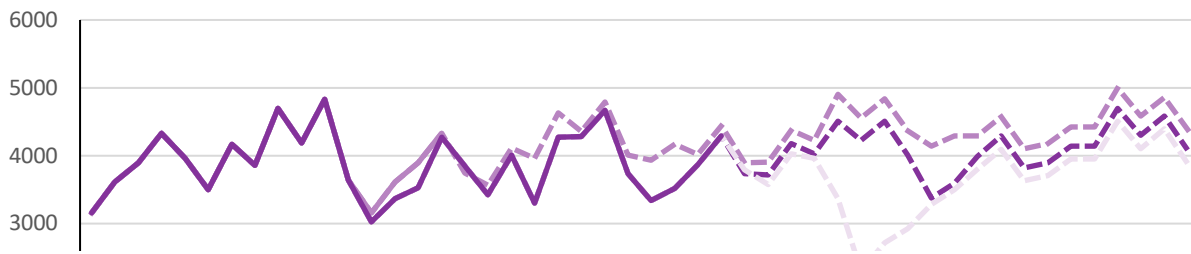


State Fiscal Year 2020			
Funding Type	February 2020 Forecast	Cash and Accruals	Difference
Federal	\$ 5,748,182	\$ 9,553,775	\$ (3,805,593)
State	\$ 25,323,071	\$ 19,127,075	\$ 6,195,996
All	\$ 31,071,253	\$ 28,680,850	\$ 2,390,403

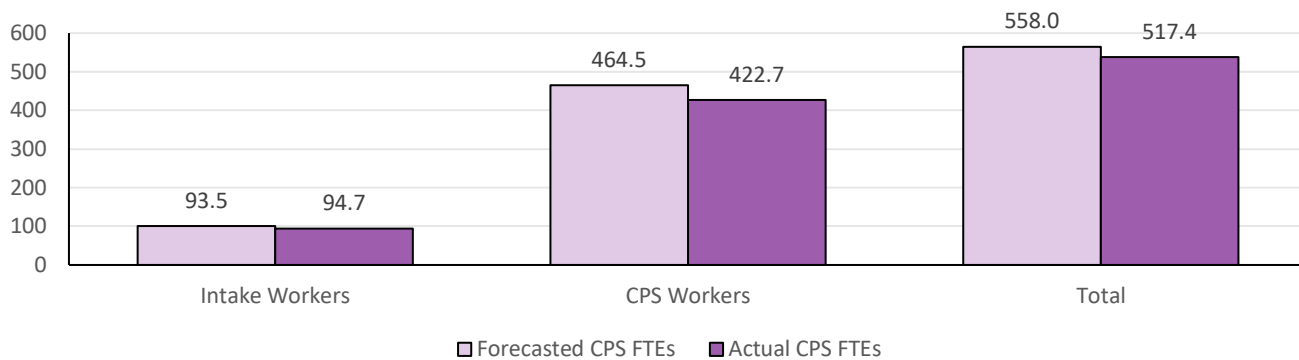
Child Protective Services Staffing

The Child Protective Services (CPS) Staffing forecast is developed using the number of screened-in intakes. The initial forecast, after being passed into law, incorporated only part of a cyclical trend in which intakes increase throughout the school year and drop noticeably during the summer break, which can be seen in the chart below. The actual trend is more consistent with the average change over the course of the year and it became apparent that the initial FTEs were overestimated as seen in the charts below. The large dip in the most recent forecast is the projected loss of calls due to COVID-19. As of September 2020, data shows that intakes are returning to trend fairly quickly.

CPS Screen In Forecast



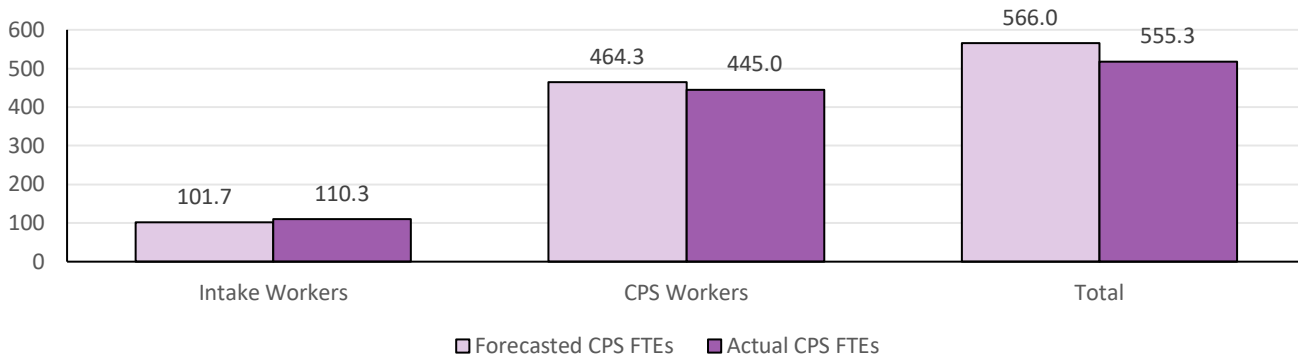
Fiscal Year 2019
Forecasted CPS FTEs to Actual CPS FTEs Comparison



Screened in reports of abuse are investigated by CPS workers. The projected number of FTEs required is determined by assuming one social worker is needed for every 8.6 intakes. This number was the average caseload ratio for fiscal year 2018 and remains frozen for all forecasts. Considering the consistency of the screened-in intakes, this will also likely remain consistent for the time being. As is seen in the two charts below, there seems to be lower than forecasted FTEs for both the 2019 and 2020 forecasts. Fewer differences exist between intake workers than CPS workers, which are more directly dependent on the CPS screened-in intake forecasts.

As mentioned, the FTE forecasts rely on a series of ratios to forecast workers and comparisons of existing social worker FTEs available to take cases. There are limitations to the timeline regarding how quickly FTEs can be accrued or lost, as well as FTE turnover, which is not incorporated or existing hiring in progress for those positions being lost, while the need is based on periods in which existing caseload necessitated it. Another level of complexity is added when considering where the workers are needed and the caseload differences between regional offices. Indeed, many of these things could have influenced the difference between the forecast FTEs and actual FTEs.

Fiscal Year 2020 Forecasted CPS FTEs to Actual FTEs Comparison



Conclusion

Forecasting is an iterative process. Many things can be accounted and assumptions can be made about the future behavior and impacts of policy implementation but at times there may be a subsequent unanticipated activity that was not known at the time of forecast development. However, this is true for any forecast. With that said, provided this report covers new forecasted areas, it's remarkable there is minimal variance in comparing the expenditures to the forecasts. While there may have been concerns that forecasting new areas within DCYF's budget may lead to an increased budget we have not experienced this in our initial forecasts; rather, with the exception of the BRS rate increased by the Legislature, the agency is experiencing reduced expenditures.

BRS Caseload Forecast

