

**State of Alaska
FY2003 Governor's Operating Budget**

**Department of Health and Social Services
Residential Child Care
Component Budget Summary**

Component: Residential Child Care

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Component Mission

The mission of the Division of Family and Youth Services (DFYS) is to protect children who are abused and neglected or at risk of abuse and neglect.

Component Services Provided

Services in this component are directed at providing 24-hour care for children in the custody of the Department who are not able to remain in their own home or who need more structure and treatment than can be provided in foster care. The Department provides a continuum of five levels of residential treatment ranging from day treatment to intensive residential psychiatric treatment center services. Children and youth placed in residential care often present severe and complex treatment problems such as sexual abuse, sexually aggressive behavior, substance abuse, severe emotional disorders, delinquent behavior, and other dysfunctional behavior.

Residential care services are purchased from private providers throughout the state via a competitive grant process described in AS 47.40.011. Services include day treatment, emergency shelter, group home care, intensive residential treatment centers, residential psychiatric treatment centers and residential diagnostic treatment centers. Increments are also provided to residential centers that provide specialization such as sex offender treatment. Additional services funded from this component include medical care, dental care, additional staffing, and client staffing.

When the necessary level of care is not available within the state, services are purchased from out-of-state providers. Out-of-state providers are approved Alaska Medicaid providers of residential psychiatric treatment in both secure and non-secure settings.

Component Goals and Strategies

1) PROVIDE SAFE AND APPROPRIATE 24-HOUR RESIDENTIAL AND GROUP HOME CARE FOR ABUSED AND NEGLECTED CHILDREN IN STATE CUSTODY IN ACCORDANCE WITH STATE LAW:

- The Department is mandated by State law (AS 47.14.100) to provide for the "...care of every child committed to its custody by placing the child in a foster home or in the care of an agency or institution providing care for children inside or outside the state."
- The Department, through DFYS, issues Residential Care grants to non-profit agencies on a competitive basis to provide high quality, time-limited residential treatment services for abused, neglected, and delinquent children. These children have complex treatment issues which require specialized professional treatment and 24-hour adult supervision that cannot be provided by the child's parents, relatives, or through foster care.
- The goal for children in residential care is to develop the ability to cope with their abuse histories and develop social skills, which will enable them to succeed in either relative care or some other less restrictive alternative such as foster care. A second objective is to guide abused children through the use of various behavioral modification techniques, positive peer relationships, and trust development in order to reduce the level of anger that is present in most cases. This also serves to reduce the number of abused children who commit delinquent acts and consequently are transferred to the juvenile corrections system.
- For the population of children who are adjudicated delinquent, the residential child care goal is two-pronged. The first goal is to identify past abuse, which exists in many delinquent cases, and to develop an individualized plan of care to address those issues. The second goal is to hold the juvenile offender accountable for his/her conduct and to equip them with the skills needed to live responsibly within the community. The overall goal is to ensure success in this level of care in order to avoid further violations of criminal law and placement in a long-term correctional center.

- Residential care providers are located throughout the state, and the Department makes every effort possible to provide residential services as close to a child's home community as possible. This enables the child's parents and significant others to be involved in the treatment process.
- The Department contracts with out-of-state residential psychiatric treatment facilities to provide treatment for children in State custody when treatment is unavailable in Alaska.

Key Component Issues for FY2002 – 2003

- Residential Care Bed Capacity: For FY2002, the Department has purchased approximately 312 treatment beds, providing a continuum of five levels of residential treatment ranging from day treatment to psychiatric diagnostic treatment center services. The current foster care system is overcrowded, with many foster care children that experience severe emotional and behavioral problems. These children often fail in foster home settings, resulting in multiple placements for children and often the loss of foster care providers. For many of these children, group care, a treatment environment with 24-hour professional staff, is a more appropriate placement.
- Mental Health Stabilization Homes: The Division has requested an increment of \$650.0 to fund the Mental Health Stabilization Home program. This short-term residential option will serve as a step-down program from acute hospital care or secure residential psychiatric treatment. It may also serve as an interim placement for severely disturbed children who are difficult to place. The homes will accept statewide referrals for residential treatment while a long-term treatment plan is finalized. The level of care will be an alternative to hospital, institutional, or out-of-state placement for youth with serious emotional disturbances. These homes will expand available options to allow families and providers to develop a safe and appropriate community placement.

Major Component Accomplishments in 2001

1) THE DEPARTMENT PROVIDED FIVE LEVELS OF RESIDENTIAL CARE:

The Department's Residential Child Care programs provided a continuum of five levels of care based on the assessed need of the individual child and the availability of bed space.

- Category I Day/Early Evening Treatment Programs: The Department purchased 23 Category I day/early evening treatment beds, located in Anchorage and Kodiak, for FY2001. Category I services provide an intensive late afternoon and early evening program of structured, supervised, rehabilitative activities for children and youth with behavioral and emotional problems. These youth, with coordinated services for them and their families, can be maintained in their own homes or in foster care, either as an alternative to out-of-home placement, or as part of an aftercare plan for children and youth currently in placement.

- Category II Emergency Shelter: The Department purchased 78 Category II Emergency Shelter treatment beds, located throughout the state, for FY2001. Category II Emergency Shelter treatment provides temporary residential care for children who are in immediate danger in their present environment. These treatment beds are also for children who are not committable to Alaska Psychiatric Institute or to a detention facility and for whom no other satisfactory plan can be found immediately. Emergency shelter projects are generally for children ages 12 to 18 in crisis due to recent abuse, neglect, or delinquency. These children may have recently been removed from their family home or other placement. The emergency shelter assists in resolving the crisis, stabilizes the child, and assists in the planning for the child's return home or placement in alternative care.

- Category III Specialized Residential Care: The Department purchased 83 Category III Specialized Residential Care treatment beds, located throughout the state, for FY2001. Specialized residential care comprises a range of services from basic residential child care to residential child care for children with specialized needs such as emotional disturbance, behavioral dysfunction, sexual offending, and preparation for emancipation. Category III provides children with a variety of treatment options and special services such as sex offender treatment, programs for emotionally disturbed children, and programs for children exhibiting dysfunctional behavior.

Category IV Intensive Residential Treatment: The Department purchased 15 Category IV Intensive Residential

Treatment beds, located in Anchorage in FY2001. Category IV programs provide 24-hour treatment for children with emotional and behavioral disorders that cause them to be a danger to themselves or others. Children typically will have a clinical history of conduct disorder, oppositional defiant, Fetal Alcohol Syndrome, or Fetal Alcohol Effected. Services are provided in a facility that includes an on-ground certified school and a highly structured, staff-intensive program. This level of service is provided for children who are in need of and are able to respond to psychotherapeutic intervention and who cannot be treated effectively in their own family, a foster home, or in a less restrictive and structured setting.

Category V Residential Psychiatric Treatment Center Services: The Department purchased 36 Category V

- Residential Psychiatric Treatment Center Services treatment beds, located in Anchorage, for FY2001. Residential Psychiatric Treatment Center Programs provide 24-hour interdisciplinary, psychotherapeutic treatment for children with severe emotional or behavioral disorders.

2) THE DEPARTMENT HAS ESTABLISHED A UNIFORM STATEWIDE PROTOCOL FOR OPERATION OF DEPARTMENTAL REGIONAL RESIDENTIAL PLACEMENT COMMITTEES:

The Department has established a uniform statewide protocol for operation of Departmental Regional Residential Placement Committees to assure necessary expertise and resources are devoted to planning and providing appropriate services for children in Department custody who require residential treatment. Establishment of these Residential Placement Committees assures the best utilization of available residential treatment resources to meet the needs of children in State custody. This process also establishes concrete steps for continued development of a seamless and integrated system of care for children in State custody, focusing especially on those who require residential treatment and on planning systematically to assure limited resources are focused to effectively meet the needs of those children.

3) PSYCHIATRIC NURSE PROGRAM:

The Division of Family and Youth Services has five Psychiatric Nurses, one each assigned to the Northern, Southcentral and Southeast regions and two assigned to the Anchorage region. The Psychiatric Nurses serve as chair of the Regional Placement Committee in order to determine if medical necessity for psychiatric residential services is met. They receive and review referral packets from Social Workers and Juvenile Probation Officers for all referrals to the Regional Placement Committee. The nurses assist each child's worker in monitoring the progress of the child from the region placed in out-of-state facilities. Conducting site reviews and reviewing the child's treatment goals, discharge plans and medication management monitors these placements. Psychiatric Nurses also assist the worker, child, and child's family with transition back to the community.

Statutory and Regulatory Authority

AS 47.05	Administration of Welfare, Social Services, and Institutions.	AS 47.10
	Children in Need of Aid.	
AS 47.17	Child Protection.	
AS 47.30	Mental Health Trust Authority	
AS 47.40	Purchase of Services.	
7 AAC 53 Article 1	Child Care Foster Care Payments.	
7 AAC 53 Article 3	Children in Custody or Under Supervision : Needs and Income.	
7 AAC 43.500-43.599	Medical Transportation Services; Inpatient Psychiatric Services	
7 AAC 50	Family and Youth Services	
7 AAC 78	Grant Programs	
Titles IV-E, IV-B, IV-D and XIX of the Social Security Act		

Residential Child Care

Component Financial Summary

All dollars in thousands

Non-Formula Program:	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	4.6	0.0	0.0
73000 Contractual	49.6	106.3	106.3
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	14,027.5	13,016.6	19,754.4
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	14,081.7	13,122.9	19,860.7
Funding Sources:			
1002 Federal Receipts	609.2	625.0	625.0
1003 General Fund Match	549.9	580.2	580.2
1004 General Fund Receipts	6,996.4	7,086.4	7,086.4
1007 Inter-Agency Receipts	1,869.9	775.0	7,412.8
1037 General Fund / Mental Health	3,956.3	3,956.3	4,006.3
1092 Mental Health Trust Authority Authorized Receipts	100.0	100.0	150.0
Funding Totals	14,081.7	13,122.9	19,860.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	609.2	625.0	625.0	625.0	625.0
Interagency Receipts	51015	1,869.9	775.0	6,862.8	7,412.8	7,412.8
Mental Health Trust Authority Auth.Rec.	51410	100.0	100.0	100.0	150.0	150.0
Restricted Total		2,579.1	1,500.0	7,587.8	8,187.8	8,187.8
Total Estimated Revenues		2,579.1	1,500.0	7,587.8	8,187.8	8,187.8

Residential Child Care

Proposed Changes in Levels of Service for FY2003

Mental Health Stabilization Homes: The Division has requested a increment of \$650.0 to fund the Mental Health Stabilization Home program. This short-term residential option will serve as a step-down program from acute hospital care or secure residential psychiatric treatment. It may also serve as an interim placement for severely disturbed children who are difficult to place. These homes will expand available options to allow families and providers to develop a safe and appropriate community placement.

Behavioral Rehabilitation Services: The Division has requested an increment to provide Behavioral Rehabilitation Services for Medicaid eligible children in DFYS' custody who reside in residential care facilities. The Division, through the RCC grants to non-profit agencies, will provide high quality, time limited residential treatment services for children who are unable to remain in their own home or who need more structure and treatment than can be provided in foster care.

Summary of Component Budget Changes

From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	11,622.9	625.0	875.0	13,122.9
Proposed budget increases:				
-Child Protection: Mental Health Stabilization Homes	50.0	0.0	600.0	650.0
-Behavioral Rehabilitation Services I/A	0.0	0.0	6,087.8	6,087.8
FY2003 Governor	11,672.9	625.0	7,562.8	19,860.7