

State of Alaska
FY2018 Governor's Operating Budget

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

Component: Residential Child Care

Contribution to Department's Mission

The Residential Care for Children and Youth program provides 24-hour care for vulnerable children (custody and non-custody) who are unable to remain in their own home. The program also provides structured and therapeutic intervention, beyond that available in foster care, for at-risk youth who present severe and complex needs related to sexual abuse or aggression, substance abuse, severe emotional disorders, delinquency, and other at-risk behaviors.

Children residing in safe, healthy, supportive environments are less inclined to abuse substances and engage in risky behaviors, and are more inclined to choose healthy lifestyle options – all core missions of the department.

Core Services

- Fund room and board for facilities providing three levels of 24-hour, high quality, time-limited residential care for vulnerable children and at-risk youth.

Major Component Accomplishments in 2016

- During FY2016 the department through provider agencies of the Residential Care for Children and Youth program delivered 46,283 days of services. Of that total:
 - 20,937 days of care were for children and youth in the custody of the department,
 - 23,408 days of care were provided for non-custody Medicaid-eligible youth, and
 - 1,938 days of care were provided to children under the age of five.

Key Component Challenges

Facilities providing care and treatment for vulnerable children and at-risk youth face many challenges: (a) recruitment and retention of trained staff, (b) improving the quality of care for children and youth, and (c) attaining sufficient funding to provide adequate care in the face of increasing costs, particularly in rural Alaska. The provider's last rate increase was in 2007. Shelter services are the most fiscally vulnerable services at this time.

Significant Changes in Results to be Delivered in FY2018

Medicaid re-design activities will include evaluation of the structure, rates, and payment mechanisms for the residential care system to increase consistency and quality and efficient use of residential resources throughout the child and youth behavioral health treatment system.

Statutory and Regulatory Authority

AS 47.05.010	Administration of Welfare, Social Services, and Institutions, duties of department
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 and XIX of the Social Security Act	

Contact Information

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Residential Child Care Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2017</u> <u>Management</u> <u>Plan</u>	<u>FY2018</u> <u>Governor</u>		
Full-time	2	2	Annual Salaries	149,390
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	87,572
			<i>Less 2.70% Vacancy Factor</i>	(6,398)
			Lump Sum Premium Pay	33,236
Totals	2	2	Total Personal Services	263,800

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	0	0	1	0	1
Social Svcs Prog Coord	0	0	1	0	1
Totals	0	0	2	0	2

Component Detail All Funds
Department of Health and Social Services

Component: Residential Child Care (253)
RDU: Behavioral Health (483)

Non-Formula Component

	FY2016 Actuals	FY2017 Conference Committee	FY2017 Authorized	FY2017 Management Plan	FY2018 Governor	FY2017 Management Plan vs FY2018 Governor	
71000 Personal Services	234.4	262.8	262.8	262.8	263.8	1.0	0.4%
72000 Travel	3.5	16.5	16.5	16.5	16.5	0.0	0.0%
73000 Services	6.8	183.0	183.0	183.0	183.0	0.0	0.0%
74000 Commodities	0.0	1.0	1.0	1.0	1.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	3,541.9	4,299.8	4,299.8	3,599.8	3,318.6	-281.2	-7.8%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	3,786.6	4,763.1	4,763.1	4,063.1	3,782.9	-280.2	-6.9%
Fund Sources:							
1002Fed Rcpts (Fed)	57.4	267.0	267.0	267.0	267.2	0.2	0.1%
1003G/F Match (UGF)	9.8	12.5	12.5	12.5	12.5	0.0	0.0%
1004Gen Fund (UGF)	706.1	1,246.1	1,246.1	1,246.1	1,246.4	0.3	0.0%
1037GF/MH (UGF)	3,013.3	3,237.5	3,237.5	2,537.5	2,256.8	-280.7	-11.1%
Unrestricted General (UGF)	3,729.2	4,496.1	4,496.1	3,796.1	3,515.7	-280.4	-7.4%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	57.4	267.0	267.0	267.0	267.2	0.2	0.1%
Positions:							
Permanent Full Time	2	2	2	2	2	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Health and Social Services

Component: Residential Child Care (253)
RDU: Behavioral Health (483)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2017 Conference Committee To FY2017 Authorized *****												
FY2017 Conference Committee												
	ConfCom	4,763.1	262.8	16.5	183.0	1.0	0.0	4,299.8	0.0	2	0	0
1002 Fed Rcpts		267.0										
1003 G/F Match		12.5										
1004 Gen Fund		1,246.1										
1037 GF/MH		3,237.5										
Subtotal		4,763.1	262.8	16.5	183.0	1.0	0.0	4,299.8	0.0	2	0	0
***** Changes From FY2017 Authorized To FY2017 Management Plan *****												
Transfer to Designated Evaluation and Treatment for Transport Rate Increase												
	Trout	-700.0	0.0	0.0	0.0	0.0	0.0	-700.0	0.0	0	0	0
1037 GF/MH		-700.0										
Subtotal		4,063.1	262.8	16.5	183.0	1.0	0.0	3,599.8	0.0	2	0	0
***** Changes From FY2017 Management Plan To FY2018 Governor *****												
FY2018 Salary and Health Insurance Increases												
	SalAdj	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		0.2										
1004 Gen Fund		0.3										
1037 GF/MH		0.5										

Transfer from Residential Child Care to Designated Evaluation and Treatment to support an increase in the rates for Designated Evaluation and Treatment transport services, as provided for in the new provider agreement, effective June 30, 2016. It is statutorily required that these services be provided to Alaskans in need of psychiatric crisis stabilization and treatment.

There is unallocated Residential Care for Children and Youth authority available to transfer because grantees have dropped Residential Care for Children and Youth beds that have a capitated rate, for fee-for-service billing which is un-capped. Residential Care for Children and Youth rates in the grants and in Medicaid have not kept up with the cost of providing services.

Grant payments have been \$40 per bed per day since the program's inception in 2000. The payment covers non-treatment, non-Medicaid reimbursable costs such as room and board and supervision. According to the U.S. government Bureau of Labor Statics, the inflation rate from the year 2000 to present is 37.6 percent nationwide, representing a decrease in value of the grants. The Medicaid rate has not increased for 10 years and has a drop in value of approximately 20 percent over time. This grant payment is a smaller component of the total residential care reimbursement, for Residential Care for Children and Youth grantees, who receive a larger Medicaid payment for treatment services.

In FY2007, the Residential Care for Children and Youth program had 200 beds, in FY2017 there are 152. This drop in bed capacity has resulted in unexpended grant authority at the end of the last several years, resulting in unencumbered authority lapsing each year in the Residential Child Care grants line.

Change Record Detail - Multiple Scenarios with Descriptions
Department of Health and Social Services

Component: Residential Child Care (253)
RDU: Behavioral Health (483)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
Includes: ACOA COLA, 2.25% per contract ending 6/30/2018; GGU HI increase from \$1346 to \$1389; LTC HI increase from \$1363 to \$1432.: \$1.0												
FY2018 PS Health Ins.: \$1.0												
Declining Provider Participation												
1037 GF/MH	Dec	-281.2	0.0	0.0	0.0	0.0	0.0	-281.2	0.0	0	0	0
Participation of providers (grantees) has declined due to low reimbursement rates. The Residential Child Care component and grantees will be able to maintain services at existing levels, with no negative effect on current providers.												
Totals		3,782.9	263.8	16.5	183.0	1.0	0.0	3,318.6	0.0	2	0	0

Personal Services Expenditure Detail
Department of Health and Social Services

Scenario: FY2018 Governor (13956)
Component: Residential Child Care (253)
RDU: Behavioral Health (483)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
06-2190	Accounting Tech I	FT	A	GP	Juneau	205	12G	12.0		48,636	0	0	34,376	83,012	83,012
06-3881	Social Svcs Prog Coord	FT	A	GP	Juneau	99	20M / N	12.0		100,754	0	0	53,196	153,950	96,219
													Total Salary Costs:	149,390	
													Total COLA:	0	
													Total Premium Pay:	0	
													Total Benefits:	87,572	
													Total Pre-Vacancy:	236,962	
													Minus Vacancy Adjustment of 2.70%:	(6,398)	
													Total Post-Vacancy:	230,564	
													Plus Lump Sum Premium Pay:	33,236	
													Personal Services Line 100:	263,800	
Total Component Months:		24.0													

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1002 Federal Receipts	57,731	56,172	24.36%
1003 General Fund Match	10,777	10,486	4.55%
1004 General Fund Receipts	85,442	83,135	36.06%
1037 General Fund / Mental Health	83,012	80,771	35.03%
Total PCN Funding:	236,962	230,564	100.00%

Lump Sum Funding Sources:	Amount	Percent
1037 General Fund Receipts	33,236	100.00%
Total Lump Sum Funding:	33,236	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail (1676)
Department of Health and Social Services
Travel

Component: Residential Child Care (253)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000	Travel		3.5	16.5	16.5
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000 Travel Detail Totals			3.5	16.5	16.5
2000	In-State Employee Travel	In state employee travel	3.5	16.5	16.5

Line Item Detail (1676)
Department of Health and Social Services
Services

Component: Residential Child Care (253)

Line Number	Line Name			FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000	Services			6.8	183.0	183.0
Object Class	Servicing Agency	Explanation		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000 Services Detail Totals				6.8	183.0	183.0
3011	Other Services		Contractual obligations	0.0	70.0	70.0
3017	Inter-Agency Information Technology Non-Telecommunications	H&SS - Fairbanks Youth Facility (265)	IT Support for MH providers at DJJ facility	0.4	0.5	0.5
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide	Department support IT services RSA	3.2	10.3	10.3
3022	Inter-Agency Human Resources	Admin - Department-wide	Department support HR Services RSA	1.4	1.5	1.5
3026	Inter-Agency Insurance	Admin - Department-wide	Department Support Services Safety RSA	0.6	0.7	0.7
3036	Inter-Agency Safety	Admin - Department-wide	Safety materials and training	0.1	0.2	0.2
3036	Inter-Agency Safety	Univ - Department-wide	University safety and materials	0.0	97.7	97.7
3038	Inter-Agency Management/Consulting	H&SS - Administrative Support Svcs (320)	Intra-departmental support RSA	1.1	2.1	2.1

Line Item Detail (1676)
Department of Health and Social Services
Commodities

Component: Residential Child Care (253)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
4000	Commodities		0.0	1.0	1.0
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
4000 Commodities Detail Totals			0.0	1.0	1.0
4002	Household/Institutional	Commodities for office supplies	0.0	1.0	1.0

Line Item Detail (1676)
Department of Health and Social Services
Grants, Benefits

Component: Residential Child Care (253)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
7000	Grants, Benefits		3,541.9	3,599.8	3,318.6
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
7000 Grants, Benefits Detail Totals			3,541.9	3,599.8	3,318.6
7001	Grants	Pass through grants	1,038.0	1,038.0	1,038.0
7002	Benefits	Provider training agreement	74.5	74.5	74.5
7003	Sub-Recipient Pass-Through Grants	Provider agreements for residential child care	2,429.4	2,487.3	2,206.1

Revenue Detail (1681)
Department of Health and Social Services

Component: Residential Child Care (253)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
5002 Fed Rcpts (1002 Fed Rcpts)			57.4	267.0	267.2
5019 Federal - Miscellaneous Grants		Title XIX Map Admin	57.4	267.0	267.2
6004 Gen Fund (1004 Gen Fund)			2.8	2.8	0.0
6046 General Fund - Prior Year Reimbursement Recovery			2.8	2.8	0.0

Inter-Agency Services (1682)
Department of Health and Social Services

Component: Residential Child Care (253)

				FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
Component Totals				6.8	113.0	113.0
With Department of Health and Social Services				1.5	2.6	2.6
With Department of Administration				5.3	12.7	12.7
With University of Alaska				0.0	97.7	97.7
Object Class	Servicing Agency	Explanation		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3017	Inter-Agency Information Technology Non-Telecommunications	H&SS - Fairbanks Youth Facility (265) IT Support for MH providers at DJJ facility		0.4	0.5	0.5
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Department support IT services RSA		3.2	10.3	10.3
3022	Inter-Agency Human Resources	Admin - Department-wide Department support HR Services RSA		1.4	1.5	1.5
3026	Inter-Agency Insurance	Admin - Department-wide Department Support Services Safety RSA		0.6	0.7	0.7
3036	Inter-Agency Safety	Admin - Department-wide Safety materials and training		0.1	0.2	0.2
3036	Inter-Agency Safety	Univ - Department-wide University safety and materials		0.0	97.7	97.7
3038	Inter-Agency Management/Consulting	H&SS - Administrative Support Svcs (320) Intra-departmental support RSA		1.1	2.1	2.1