



STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
KEVIN W. CONCANNON, DIRECTOR

RECEIVED

DEC 15 2006

HOUSE OF REPRESENTATIVES

December 15, 2006

Michael Marshall, Secretary of the Iowa Senate
Margaret Thomson, Chief Clerk of the Iowa House
Iowa State Capitol
LOCAL

Dear Iowa Legislature:

On behalf of the Iowa Department of Human Services and pursuant to House File 2734 of the 2006 Regular Session of the Iowa General Assembly, Section 17, Page 28, Line 35, please find attached the Child Welfare and Juvenile Justice Emergency Services Plan.

Cordially,

A handwritten signature in cursive script that reads "Alisa Morris".

Alisa Morris
Legislative Liaison

cc: Iowa Senate Democratic Caucus Staff
Iowa Senate Republican Caucus Staff
Iowa House Democratic Caucus Staff
Iowa House Republican Caucus Staff

RECEIVED
DEC 15 2006
HOUSE OF REPRESENTATIVES

Child Welfare and Juvenile Justice
Emergency Services Plan

Submitted to the Iowa Legislature by
Kevin W. Concannon, Director
Iowa Department of Human Services
December 15, 2006

Iowa Department of Human Services
Emergency Services Plan
December 2006
Page 1 of 21

**Iowa Department of Human Services
Emergency Services Plan
December 2006**

TABLE OF CONTENTS

I)	Executive Summary.....	3
II)	Introduction and Background.....	6
III)	Departmental and Public Input.....	9
IV)	Vision of Emergency Care.....	10
V)	Guiding Principles.....	10
VI)	Emergency System Discussion.....	11
VII)	Recent History of Shelter Care.....	14
VIII)	Plan Recommendations and Reinvestment.....	16
IX)	Coordination with other state initiatives.....	18
X)	Appendixes.....	18
	Appendix A. Acknowledgements.....	19
	Appendix B. Iowa Emergency Juvenile Shelter locations SFY 2007.....	21

**Iowa Department of Human Services
Emergency Services Plan
December 2006**

D) Executive Summary

This plan was developed in response to a request from the Iowa legislature that the Iowa Department of Human Services (DHS) “[s]ubmit an emergency services plan by December 15, 2006 . . . (that) shall identify crisis intervention and emergency services alternatives to shelter care and shall specify the numbers of shelter beds that are guaranteed and not guaranteed, as determined necessary by the department.”¹

“Guaranteed” means that emergency juvenile shelter care beds are paid for daily by the department whether or not they are actually used to serve eligible children. This year 273 beds are guaranteed daily statewide and the average daily actual use statewide is 245² (July – October 2006), leaving nearly 30 beds vacant each day.

In the process of developing this plan, the DHS examined how emergency services for juveniles are currently provided in Iowa. This revealed a number of different services were being used for crisis intervention and emergency placements across its eight Service Areas. However, these services were neither all available everywhere nor used equally across Iowa. The extent to which they were used depended on variables such as the existence of diverse services, local placement practices or philosophical approaches to emergency care among DHS workers and Juvenile Court Officers, and the availability of resources to fund service options.

While several services were identified, generally none are used to the extent that emergency juvenile shelter care placements are used. Overall, shelter care is the most regularly accessible service on which DHS, Juvenile Court Officers, and law enforcement have come to rely for the emergency placement of a child.

Although shelter care remains an important component of Iowa’s emergency system, its use has been diminishing in recent years. This plan recognizes the role shelter care plays in a continuum of emergency services while addressing the reduction in use and the accompanying costs resulting from the payment for unused beds. In state fiscal year (SFY) 2006 that cost was about \$1.1 million of a total state appropriation of \$7.4 million.

The plan’s recommendations are intended to support service alternatives to shelter, to reach a level of guaranteed beds that is more consistent with actual use, and to identify services in which funds no longer spent on unused guaranteed beds could be reinvested.

¹ House File 2734, 2006 Regular Session, Sec. 17 CHILD AND FAMILY SERVICES, Page 28, Line 35

² Source of count: shelter facility census reports based on children served in beds paid for per Iowa foster care payment policy

The reinvestment recommendations would achieve the following:

- 1) Support children in non-congregate settings;
- 2) Reflect the values of individualized care in a child's home or in family settings close to a child's home;
- 3) Redirect financial resources to the provision of direct services to children; and,
- 4) Build on the strengths of Iowa's provider networks.

Recommendations:

Recommendation 1. The department will form analysis groups that include service providers and other key stakeholders to identify and review departmental or other state policies and shelter use practices that: may prohibit or discourage use of services that could be viable alternatives to congregate shelter use; could alleviate an over-reliance on shelter when other services would be more appropriate; would assess current licensure requirements, changes to which, if feasible, may allow facilities to better accommodate smaller shelter settings; or, offer variations in shelter use patterns across the state. Examples of this may include, but not be limited to:

- 1) Assessing relevant foster family care guidelines so that short term, emergency access to this level of care is broadened;
- 2) Assuring that discharge planning or aftercare requirements for foster group care and psychiatric medical institutions for children (PMIC) alleviate the need to place children in shelter care after their discharge;
- 3) Measuring the impacts of changes made to foster care payment processes such as, but not limited to, making payment for the last day of placement in shelter care (the day of discharge); or,
- 4) Examining the differences in shelter use practices across Iowa and the resulting outcomes.

Recommendation 2. While maintaining a number of beds that continues to provide some fiscal certainty to shelters and to keep beds broadly accessible geographically, the number of guaranteed shelter beds should be reduced by a total of 24 beds over a two year phase-in period -- twelve beds in each of the SFYs of 2008 and 2009. The department would continue to pay for all beds that are used for lawful placements whether or the not the bed is guaranteed for payment. These reductions would be made from the currently unused bed inventory and additional reductions would be considered in SFY 2010.

Projected savings in SFY 2008 would be \$388,900. In SFY 2009, projected savings would be \$777,800.

Recommendation 3. Reinvest the savings to enhance the emergency services system through the development of new services or the expansion of existing services. These would begin to assist Iowa to reduce its reliance on congregate care and would include:

- 1) Mobile crisis response units able to immediately deal with child and family crises and used for the diversion of children from shelter care placement through the provision of intensive individualized services.
- 2) In-home supervision services.
- 3) Creating or expanding the use of emergency family foster care homes with training and supports.
- 4) Expanding Iowa's capacity to provide emergency services in other family foster care homes so that children who could be more appropriately served in a family setting can be, with the intent of broadening this service statewide so that more emergency services could be available close to children's homes.
- 5) Flexible funding for DHS Service Areas to use in collaboration with community partners to provide emergency services that are based on evidence based practice for this population.

The minimal reduction in Year One (SFY 2008) is intended to avoid financial instability for any single shelter while keeping a safety net of shelter beds at a level that will still exceed the expected need. Overall and on average, the reduction represents about one-half bed per shelter facility and not every shelter would be affected by this reduction. The intended result of these recommendations is not the closure of any shelter and the department is confident the proposed reinvestment will provide new opportunities for all providers.

Alternate services come with a cost and public policy makers must decide how funding can be suitably used. For example: To what extent should unused beds be paid for daily? In a time of limited public funding and increased accountability for the use of public funds, deciding where dollars should be appropriately used requires critical public policy decisions.

The two to three years phase-in period recommended helps the department maintain the delicate balance of access and shelter viability and it allows providers and the department to adjust over time and prepare for future changes. The resulting number of 249 beds on a daily average basis at the end of the first two years would bring the total number of guaranteed beds funded within the range of the average daily usage over SFYs 2006 and SFY 2007 (through October). That number is 243.

It is noted that public input to this plan identified a need to provide crisis or emergency services to children who are not a part of the child welfare/juvenile justice system. For example, this could include children considered "at risk" by school personnel, runaways not involved with the juvenile justice system, or children referred by parents as voluntary shelter admissions due to incorrigible behavior. While this plan focuses on responding to the legislation on behalf of children involved with the child welfare/juvenile justice system, the department would recommend assessing this need further if state policy makers were interested.

II) Introduction and Background

The Iowa Department of Human Services (DHS or "department") presents this plan to the Iowa Legislature in response to House File 2734, the department's appropriation bill for State Fiscal Year (SFY) 2007.

The appropriations bill language is the following:

"The department shall submit an emergency services plan by December 15, 2006 to the persons designated by this division of this Act to receive reports. The plan shall identify crisis intervention and emergency services alternatives to shelter care and shall specify the numbers of shelter beds that are guaranteed and not guaranteed, as determined necessary by the department."

This legislative request comes during a time of change in Iowa's child welfare/juvenile justice system and the timing is right to begin looking at new ways to support essential emergency services and to create new opportunities. Departmental efforts over the last few years in the areas of the Child and Family Service Review (CFSR) and Better Results for Kids (BR4K) are still fresh. The department is also in the midst of de-linking Medicaid rehabilitation services and funding from child welfare services. This transition will include new child welfare services combined with the recently initiated and Medicaid supported Remedial Services Program for all eligible children.

This request also comes on the heels of practice changes specific to emergency juvenile shelter care. Since SFY 2004, and after a couple of years of a rapid upward trend in the use of shelter care, the department has done the following to manage shelter utilization:

- 1) Conducted initial placement reviews within 48 hours to assure the appropriateness of placement;
- 2) Increased the frequency of ongoing reviews to occur weekly and at 14 and 30 days to ensure that discharge plans are moving forward;
- 3) Used diversion programs such as crisis intervention, day programming, and placements with relatives;
- 4) Initiated a competitive bidding process to provide shelter beds; and,
- 5) Moved to a guaranteed bed payment system to help provide some fiscal certainty to providers while helping to assure access to beds across a broad geographic area.

The utilization of shelter beds has diminished dramatically since SFY 2004 as seen in the table below:

	SFY 2003	SFY 2004	SFY 2005 ³	SFY 2006	SFY 2007 ⁴
Average daily No. of children in shelter care ⁵	355	386	266	242	245

“Guaranteed” means that a shelter bed is paid for by the state whether it is used or not. It has become evident that the extent to which the department uses a guaranteed payment system in which shelter beds are paid for regardless of actual use requires appraisal after 1-½ years of use. Keeping a suitable balance between broad access to shelter care and the numbers of shelter beds that are guaranteed for payment with the actual use of shelter in the last 18 months has raised questions among policy makers from a standpoint of fiscal accountability.

Currently the department guarantees payment for 273 beds daily (explained further in Section VII). As a result, even though fewer beds have been needed in recent months, the department continues to pay a substantial premium for unused beds, currently about 30 per day with an anticipated cost for SFY 2007 to be \$972,000. The cost in SFY 2006 was \$1.1 million (about 15% of the \$7.4 million shelter care appropriation).

Annually the legislature defines the maximum that may be paid to shelter for each day a child is in care. For SFY 2007 the maximum total reimbursement rate is \$135.44 or a shelter agency’s actual and allowable cost, whichever is less.

For SFY 2007 the legislature authorized the department to pay up to \$88.79 of this cost, or an agency’s actual cost if it is lower. Per Iowa law, if the actual and allowable costs of a child’s shelter care placement exceed the amount the department is authorized to pay, the unpaid costs may be recovered from the child’s county of legal settlement (up to the difference between the amount the department is authorized to pay and the maximum set by law). A county’s cost could be up to \$46.65 per day for each child in placement.

The department also uses federal financial participation (FFP) in the form of IVE funds for some of its share of the daily cost. For SFY 2007, it is assumed that 25.58% of children in shelter care will be IVE eligible (based on SFY 2006 statistics) and the FMAP (federal match rate) for SFY 2007 is 62.39%. Based on these figures, federal IVE participation would fund about 16% of the overall state cost of shelter care.

³ Source for SFYs 2003 – 05: Iowa’s Foster Care Accounting System (FACS) representing payments that were made on behalf of these numbers of children

⁴ Source for SFYs 2006 – 07: Census reports from individual contracted shelters representing the numbers of children for which the state was billed; SFY 2007 represents the months of July – October 2007

⁵ These counts do not include a child as resident on the day they were discharged, consistent with Iowa foster care payment policy that does not pay for the day of discharge

Shelter care is an important part of the emergency services network and the department believes some level of bed availability with guaranteed payment is necessary and practical at this time. However, the recent history of shelter care utilization does not support a need to maintain so many unused guaranteed payment beds.

Though the requirements of the legislation seem simple, identifying alternatives and specifying the number of guaranteed and non-guaranteed shelter beds could not be determined easily. Various and interwoven scenarios warrant consideration and while emergency juvenile shelter care is the focus of this legislation, it cannot be viewed in isolation. Shelter care is one part of a larger emergency services system, but in the absence of widely and consistently used alternatives, emergency juvenile shelter care is the most accessible and most relied upon emergency service system component of that system today.

The discussions leading to the recommendations in this plan provided a chance to examine Iowa's broader, publicly funded child welfare and juvenile justice emergency services system and the role of congregate, facility-based shelter care as a component of that system.

The plan identifies emergency service options and alternatives while recommending a number of guaranteed payment shelter beds that are needed to meet the demand for shelter care. The approaches proposed expand Iowa's emergency response capacity and enhance services to Iowa's children and families, which is the outcome desired by the department and its partners.

The proposed reinvestment of funds and service options would provide the potential for the department to begin to move away from its over reliance on congregate care and to focus on the value of serving children in their own homes and/or other family settings to the extent possible, while following the basic principles of safety, permanency and well being.

While this plan looks at an evolving emergency services system that will provide some alternatives to shelter care placement, it does not suggest the definition of shelter care be changed. The plan also does not expand emergency shelter services to a broader range of children and families who are outside of the child welfare and juvenile justice system, such as youth determined to be at some sort of risk or children referred by parents as voluntary shelter admissions. It is possible that if the population were expanded, services might divert some children from the child welfare/juvenile justice system, similar to the department's Community Care program.

Public input did identify a need to provide crisis or emergency services to children who are not a part of the child welfare/juvenile justice system. While this plan focuses on responding to the legislation on behalf of children involved with the child welfare/juvenile justice system, the department would recommend assessing this need further if state policy makers were interested. Expanding populations served would require additional funding.

The plan does begin to lay the groundwork toward a more comprehensive emergency service system by examining the nature of the system today and proposing incremental changes

related to shelter care and its alternatives. Small steps will allow the system to adapt and balance itself as the proposed changes occur.

III) Departmental and Public Input

To inform the development of this plan, the department did the following:

- 1) Utilized staff input from across Iowa to identify current practices and program options;
- 2) Analyzed shelter care and services data from recent SFYs;
- 3) Held three meetings with shelter care providers and juvenile court personnel over the course of the spring, summer and fall 2006;
- 4) Conducted 11 public input sessions spread among each of DHS's eight Service Areas;
- 5) Reviewed information available from national child welfare organizations; and,
- 6) Contacted other states to identify how they provide emergency services in their child welfare/juvenile justice systems.

Participants in the public input sessions demonstrated diverse thinking regarding the directions the department should take regarding an emergency services system and shelter's role within that system. Some thought additional service options were a good idea. Some thought the level of shelter beds today was appropriate while others thought some reduction in guaranteed and unused beds was in order. There was some belief that with appropriate services in place the need for shelter beds would go down.

There was consensus that this plan should be used to enhance Iowa's capacity to provide emergency supports for children and families. Note: A written summary of the public input sessions can be found on the DHS website using the following link:
<http://www.dhs.state.ia.us/docs/EmergSvcPlan.pdf>

While providers and other participants supported the development of emergency service alternatives, they also expressed the opinion that the amount of shelter funding should not be reduced and that any new services proposed must be funded with new dollars.

The department also recognizes that the unique needs of some children may call for congregate care and that shelter care will continue to have an important role in the broader emergency services system. A minimum number of guaranteed beds must be maintained to keep that part of the emergency services system viable in addition to service alternatives that are developed.

Information from the above sources provided reasonable evidence that options to shelter care exist, alternatives to congregate shelter care should be pursued, and that the number of guaranteed payment beds in shelter care could be reduced from the number funded today.

Pursuing alternate services will come with a cost and public policy makers must decide how funding is responsibly used. For example: At what level should unused beds be paid for daily? Can emergency service options be paid for by reinvesting funds?

IV) Vision of Emergency Care

A continuum of emergency services should be comprehensive and coordinated and available statewide 24 hours each day. Emergency care services are temporary although they should be available as long as needed and focus on meeting every child's basic needs for safety and well being.

Emergency care should guarantee that educational and recreational needs are met as all services work toward permanency goals for each child. Services should range from the least restrictive that can be used -- e.g., in-home interventions -- to more intensive interventions that could lead to out-of-home placements such as with relatives, foster families or emergency shelter care.

The terms *crisis intervention* and *emergency services* are interchangeable to some people and both are a part of emergency care. When participants of the public forums were asked how they would define these two components, the department learned they could be defined differently by different people. For the purposes of this plan they are described below.

Crisis intervention can be generally seen as a service occurring before children require removal from their home. It may be provided in-home, in schools, or elsewhere to address immediate problems or to de-escalate situations with intent to keep families together and to avoid out-of-home placement.

Emergency services offer longer term involvement with the department or JCS, yet they are in place to offer short term and temporary placement until family and/or child issues are resolved leading to final disposition of a child's case. Best practice would suggest that emergency involvement should last less than 30 days. However, this has not always been possible due to limited alternatives. Emergency services are used in situations when children are placed outside the home and program examples include emergency family foster care or family placements, other foster homes and, emergency juvenile shelter care.

Collectively, crisis intervention and emergency services should facilitate immediate support to children and families in appropriate, least restrictive settings that also help to ease Iowa's reliance on the use of congregate care.

V) Guiding Principles

- A. Crisis intervention activities are immediate, they should be individually responsive to child and family needs, and provided in the home (or foster home, school, or community) if at all possible.

- B. Emergency services are consistent with the Child and Family Service Review (CFSR), focusing on the safety, permanency, and well being of children in the child welfare/juvenile justice system.
- C. Out of home emergency care should be provided in the least restrictive setting possible and it is short term and temporary. When removal from the home is needed, children should be placed with relatives, family friends, or emergency or other foster homes. These placements should consider a child's individual needs, last only as long as necessary, and be as close to home as possible. Emergency juvenile shelter care placement should be reserved for the most difficult cases when lesser restrictive options are not feasible.
- D. Emergency juvenile shelter care or other congregate placements should only be used if they are the most appropriate setting for a child. Appropriate permanent settings should be identified for each child as soon as possible.
- E. Emergency juvenile shelter care should not be used as a transitional residence between placement changes in lieu of appropriate discharge planning (for example, PMIC to foster group care or PMIC to home) when resources exist to accomplish appropriate discharge and placement.
- F. Every effort shall be made to avoid placement in an emergency juvenile shelter care home of children under the age of 12 (also in the Code of Iowa, Chapter 232.21(6)).

VI) Emergency System Discussion

A first step toward the development of this plan was to inventory services used by DHS and JCS for "emergency" care. A number of services were identified ranging from family team meetings used as an early intervention, to other immediate or early response activities provided in-home, progressing on to more intensive services and out-of-home placements. The most restrictive placement was emergency juvenile shelter care.

The list of services being used for crisis intervention and emergency placements across DHS's eight Service Areas looks somewhat extensive if viewed collectively, but it was learned that the services weren't necessarily all available to all parts of the state and there wasn't necessarily any uniformity to their use. The extent to which they were used depended on variables such as the existence of diverse services, local placement practices or philosophical approaches to emergency care among DHS workers and Juvenile Court Officers, and the availability of resources to fund service options. No service was used as frequently as emergency juvenile shelter care for placing a child.

Overall, shelter care is the most regularly accessible service on which the primary users -- DHS, Juvenile Court Officers, and law enforcement (LE) -- have come to rely for the emergency placement of a child. Each of these primary users place children into shelter for the following general reasons:

- 1) DHS places children who have been harmed or are at risk of harm in order to provide them safe refuge;
- 2) JCS places delinquent children as the least restrictive facility available consistent with the best interests and special needs of the child⁶ to provide a level of safety and security to communities; and,
- 3) Law enforcement may place children who have been taken into custody for reasons defined in the Code of Iowa,⁷ including suspected runaways, who cannot be returned to their homes and when shelter is the least restrictive placement available.

The percentages of referrals from these three sources vary across the eight DHS Service Areas. The highs and lows of referral percentages by DHS ranged from 83–100% to 48%, respectively. The highs and lows of referral percentages by JCS ranged from 52% to 0–5%, respectively.⁸ The following table shows statewide referral distributions overall:

DHS	74%
JCS	26%
LE	4%

Referrals made from these multiple sources result in significant co-mingling of the child welfare and juvenile justice populations. Opinions differ on whether or not it is harmful to house children from such diverse circumstances with one another.

The shelter care population is even more heterogeneous when one considers the many uses of shelter. While the intent of shelter care is to be short term and temporary, it often becomes a longer-term solution for children awaiting placements elsewhere, such as foster group care, PMIC, or even foster family care. In the absence of other alternatives, pressures on those parts of the system intensify shelter use. This usage pattern is consistent with the findings of the (limited) research that has been done nationally on emergency shelter use.

Some have said that Iowa does not have an adequate capacity of foster group care beds, brought about primarily by the level at which this program is funded which causes a waiting list in many parts of Iowa. Others have said that PMIC beds and other mental health services are insufficient to meet the needs of Iowa children and adolescents. A lack of foster family homes has been evident for a long time, resulting in a recent Request For Proposal issued to identify a successful bidder to implement a statewide recruitment and retention program for Iowa resource families. Related to the latter, the department is certain the successful bidder and resulting program will enhance Iowa’s capacity to provide foster family care while remaining cognizant of one of the concerns raised during public input to this plan; that was foster family care should not become foster “group” care by allowing too many children to be taken into a single home.

⁶ Code of Iowa Chapter 232.21

⁷ Code of Iowa Chapter 232.19

⁸ Source: Point-in-time survey of shelter usage on November 17, 2006. The ranges of 83-100% and 0-5% are shown that way because on that day, 100% of the placements in one Service Area were DHS referrals. It may be more indicative of actual use in this case to show the ranges at the high and low ends of the referral percentages.

The recent point-in-time survey of shelter care placements made by DHS, JCS, and LE referrals (conducted when 225 children were in shelter care on November 17, 2006) showed children were awaiting placement into the following settings (Note that while the totals below do not equal 100%, some children may be reported in more than one category):

Awaiting move to top of Group Care wait list	At top of Group Care list awaiting vacancy	Awaiting Foster Family Care	Awaiting relative placement	Awaiting PMIC	Awaiting return home	Awaiting court disposition
19%	12%	21%	3%	8%	15%	21%

When other services lack adequate capacity, it can lead to unnecessary placements in shelter care or increased lengths of stay. This contributes to the diverse population seen in shelter care today.

Other considerations for shelter's use are local practice and the philosophy of shelter use that vary across the department's Service Areas. Research for this plan uncovered differing practices that resulted in differing usage patterns.

In the department's eight Service Areas, a range of shelter usage per 1,000 children was discovered.⁹ The reasons for the "outliers" -- i.e., those with the highest utilization per 1,000 children and those with the lowest utilization -- have yet to be fully understood and this plan proposes to look at those in order to determine their cause. The department is optimistic that Iowa can fundamentally change its thinking about how shelter care is used and begin to move away from its over reliance on congregate care.

The recommendations in this plan will not resolve all identified issues, but they provide an opportunity to elevate discussion about them and to lay a foundation to broaden Iowa's emergency service alternatives.

In conversations with other states, it was learned that juvenile shelter as we know it in Iowa is not as widely used in the states surveyed. Admittedly, not every state was represented in the email or telephone conversations that took place. And, the comprehensiveness of the other states' service systems, which could influence their approaches to emergency care, is not fully known.

Nevertheless, this plan recognizes other states' practices and the information gathered informs the recommendations herein.

⁹ Considering all the referral sources of DHS, JCS, and LE, the range went from 1.9 children per 1,000 to 10.2 children per 1,000, with the average being 6.11

Sixteen states¹⁰ were either contacted by telephone or they responded to email requests for information. Approaches to emergency placements varied and some states indicated they have shelters similar to those in Iowa. However, many states indicated they have either discontinued using congregate shelter all together or those placements are limited, either by the number of shelters available or by the amount of time allowed to be placed there.

In Nebraska, for example, three shelters have closed in the last year while others continue in operation. New policies implemented in the last year limit lengths of stay in shelter and the daily census has dropped from 230 in August 2005 down to 30 in August 2006. The intent in Nebraska is to try to serve children in homes rather than facilities.

Another example is Illinois, where the only large congregate shelter facility is located in Cook County. Known as an Emergency Resource Center in Chicago, it is used when a child is removed from his or her home for a medical evaluation of up to two days before the child is moved to a foster home.

Although shelter care remains an important component of Iowa's emergency system, its use has been going down in recent years. This plan recognizes the role shelter care plays in a continuum of emergency services while addressing the reduction in use and the accompanying costs resulting from the payment for unused beds. As noted earlier, that cost was about \$1.1 million of a total state appropriation of \$7.4 million in SFY 2006.

The intent of the department is to use the recommendations herein to support service alternatives to shelter, to reach a level of guaranteed beds that is more consistent with actual use, and to identify services in which funds no longer spent on unused guaranteed beds could be reinvested. The DHS also intends to build on the crisis intervention and emergency services knowledge and skills of Iowa providers.

VII) Recent History of Shelter Care

Emergency juvenile shelter care has experienced changes over the last several SFYs, ranging from exceptionally high use a few years ago to much reduced use in recent months (See table in Section II). In SFYs 2003 and 2004, the DHS Council's budget to the governor estimated a daily average of 280 shelter beds could be funded. Actual usage exceeded 280 at the same time the amount of FFP of IVE matching funds declined. FFP has always been important to assist with the state funding of shelter care placements.

The rise in shelter use resulted from both increased admissions and increased lengths of stay. Whereas shelter care is intended for short term, emergency placements, the average lengths of stay in SFY 2003 were 43 days. As a result, the initial appropriations for those years were inadequate to fund the number of children actually placed in shelter.

¹⁰ Please see the Appendix for the list of states

In response for SFY 2003, a supplemental appropriation was provided so the department could cover the additional expense. In SFY 2004, placements and state costs were again high and legislative authority was granted to spend above the amount initially appropriated, although no supplemental funding was provided. Therefore, funds to cover the over expenditure had to be found elsewhere in the child and family services budget.

In SFY 2005, the legislature clearly stated the department would have to live within the amount budgeted; that amount was slightly different, yet comparable to the initial appropriations in the previous two years. For SFY 2005, it was anticipated that 253 beds could be paid for on a daily average basis when IVE FFP was considered. With improved IVE FFP, the department was able to afford an average of 273 beds per day.

In SFY 2005, the department initiated shelter case review processes to assure these placements were appropriate for children recommended for placement. Alternatives to shelter were used when appropriate and the department carefully assessed the lengths of children's stays in shelter. Data at the end of SFY 2005 showed that an average of 266 children had been in shelter on a daily average basis that year, a reduction from previous years resulting from shorter lengths of stay and the provision of alternative emergency services in less restrictive settings.

Some shelters felt the effects of reduced utilization and a couple of them anticipated future closure. One shelter in south-central Iowa and another in eastern Iowa ended their shelter programs (the latter was replaced by another provider in the area).

Preparing for SFY 2006, the department understood it would have to continue to carefully manage shelter care within funds appropriated. Intending to balance the need to live within the appropriation with maintaining Iowa's shelter care infrastructure, along with providing some level of financial predictability to Iowa's shelter care providers, in February 2005 the department proposed to implement a Request For Proposal (RFP) process. There was legislative support for this strategy that anticipated two things: 1) Contracting for a certain number of guaranteed payment beds (a projected 240 – 250 beds, paid for daily regardless of use, thus giving some financial stability to providers); and, 2) Contracting for additional beds so there would be greater overall capacity on days of higher utilization. The additional beds would be paid for whenever they were actually used.

Considering the nature of shelter care as emergency and short term and recognizing that shelter placement has days with high utilization and other days with low utilization, this methodology resulted in the department offering 23 contracts. Twenty-two contractors accepted, collectively providing 340 shelter beds (246 of them guaranteed for payment and the remainder considered "non-guaranteed" payment beds but paid for when used). This range of 246 – 340 accommodated the funded statewide daily average of 273 beds (plus an additional eight beds to be used as needed that were built into an amendment to the appropriation).

The resultant contracts provided flexibility to achieve the statewide daily average along with a significant level of financial certainty to all shelters while providing broad geographic

access to shelter beds. However, after the Administrative Rules Review Committee received comments and subsequent legislative testimony on the intent of the appropriation, the legislature directed the department to change contracts so that 273 (it actually turned out to be 276) beds would be guaranteed for payment on a daily basis regardless of use, even though the bill language did not stipulate that any beds be guaranteed. This process also allowed for the previously mentioned additional eight beds to be used and paid for as needed.

The department began this new process to contract for the entire shelter care appropriation in October 2005, setting a contracting precedent that obligated all but approximately \$200,000 of the \$7.4 million state appropriation, regardless of bed use. SFY 2006 closed with just over \$1 million spent on the unused beds.

VIII) Plan Recommendations and Reinvestment

A. Recommendation 1

The department will work with service providers and other key stakeholders to form groups to analyze departmental or other state policies and shelter use practices that:

- 1) May prohibit or discourage use of services that could be viable alternatives to congregate shelter use;
- 2) Could alleviate an over-reliance on shelter when other services would be more appropriate;
- 3) Would assess current licensure requirements, changes to which, if feasible, may allow facilities to better accommodate smaller shelter settings; or,
- 4) Offer variations in shelter use patterns across the state.

Examples of this may include, but not be limited to:

- 1) Assessing relevant foster family care guidelines so that short term, emergency access to this level of care is broadened;
- 2) Assuring that discharge planning or aftercare requirements for foster group care and psychiatric medical institutions for children (PMIC) alleviate the need to place children in shelter care after their discharge;
- 3) Measuring the impacts of changes made to foster care payment processes such as, but not limited to, making payment for the last day of placement in shelter care (the day of discharge); or,
- 4) Examining the differences in shelter use practices across Iowa and the resulting outcomes.

B. Recommendation 2

While maintaining a number of beds that continues to provide some fiscal certainty to shelters and to keep beds broadly accessible geographically, the number of guaranteed shelter beds should be reduced by a total of 24 beds over a two year phase-in period -- twelve beds in each of the SFYs of 2008 and 2009. The department would continue to pay for all beds that are used for lawful placements whether or the not the bed is guaranteed for payment. These reductions would be made from the currently unused bed inventory and additional reductions would be considered in SFY 2010.

Projected savings in SFY 2008 would be \$388,900. In SFY 2009, projected savings would be \$777,800.

C. Recommendation 3

Reinvest the savings to enhance the emergency services system through the development of new services or the expansion of existing services. These would begin to assist Iowa to reduce its reliance on congregate care and would include:

- 1) Mobile crisis response units able to immediately deal with child and family crises and used for the diversion of children from shelter care placement through the provision of intensive individualized services;
- 2) In-home supervision services;
- 3) Creating or expanding the use of emergency family foster care homes with training and supports;
- 4) Expanding Iowa's capacity to provide emergency services in other family foster care homes so that children who could be more appropriately served in a family setting can be, with the intent of broadening this service statewide so that more emergency services could be available close to children's homes; and,
- 5) Flexible funding for DHS Service Areas to use in collaboration with community partners to provide emergency services that are based on evidence based practice for this population.

The minimal reduction in Year One (SFY 2008) is intended to avoid financial instability in any single shelter while keeping a safety net of shelter beds at a level that will still exceed the expected need. Overall and on average, the reduction represents about one-half bed per shelter facility and not every shelter would be affected by this reduction. The intended result of these recommendations is not the closure of any shelter and the department is hopeful the proposed reinvestment will provide new opportunities for all providers.

Alternate services come with a cost and public policy makers must decide how funding can be suitably used. For example: To what extent should unused beds be paid for daily? In a time of limited public funding and increased accountability for the use of public funds, deciding where dollars should be appropriately used requires critical public policy decisions.

The two to three years phase-in period recommended helps the department maintain the delicate balance of access and shelter viability and it allows providers and the department to adjust over time and prepare for future changes. The resulting number of 249 beds on a daily average basis at the end of the first two years would bring the total number of guaranteed beds funded within the range of the average daily usage over SFYs 2006 and SFY 2007 (through October 2006). That number is 243.

Public input to this plan identified a need to provide crisis or emergency services to children who are not a part of the child welfare/juvenile justice system. While this plan focuses on responding to the legislation on behalf of children involved with the child welfare/juvenile justice system, the department would recommend assessing this need further if state policy makers were interested.

IX) Coordination with other state initiatives

The department intends to coordinate activities of this plan with the following initiatives.

- A. **Recruitment and Retention of Resource Families:** A Contractor chosen by a competitive bidding process will develop methods to be used for the recruitment and retention of resource families that are available to be successfully matched with children who need out-of-home care in a foster family setting, adoptive placement or relative placement.
- B. **Children's Mental Health (CMH) Waiver:** The CMH Waiver meets the needs of children under 18 years old with serious emotional disturbance (SED) through the provision of services in community settings and alleviating the need for children with serious emotional disturbances to leave their homes to seek support in a medical institution. Parents of eligible children "waive" using services in an institution and choose instead to use services and individual supports to keep their children in their own home.
- C. **The Psychiatric Medical Institution for Children (PMIC) proposal** from the Iowa Medicaid Enterprise to the federal government to develop a Home and Community Based Services (HCBS) waiver demonstration project for this population. Iowa's goal is to design a comprehensive and effective HCBS option for youth with serious emotional disturbance who currently reside in the state's PMICs.
- D. **DHS Requests for Proposal for child welfare services.**

X) Appendixes

- A. Acknowledgments
- B. Map of Iowa Emergency Juvenile Shelter locations within DHS Service Areas SFY 2007

Appendix A. Acknowledgements

The department would like to express its appreciation to the following for their contributions toward the development of this plan.

A. Emergency Services Workgroup Members:

1. Brian Archibald DHS Des Moines Service Area
2. Marc Baty DHS Cedar Rapids Service Area Manager
3. Katie Bolie DHS Council Bluffs Service Area
4. Tom Bouska DHS Council Bluffs Service Area Manager
5. Jim Chesnik DHS Division of Child and Family Services
6. Jim Cruchelow DHS Davenport Service Area
7. Jennifer Hitchcock DHS North Central Iowa/Waterloo Service Area
8. Mike Hodoly DHS Cedar Rapids Service Area
9. Doug Koons DHS Ames Service Area
10. Jody Lane-Molnari DHS Division of Fiscal Management
11. Renee Larson DHS Cedar Rapids Service Area
12. Gary Lippe DHS Dubuque Service Area Manager
13. Mike McInroy DHS Des Moines Service Area
14. Gary Niles JCS Chief Juvenile Court Officer, District 3
15. Kathy Norris DHS Sioux City Service Area
16. Tom Southard JCS Chief Juvenile Court Officer, District 2
17. Jon Wetlaufer DHS Division of Fiscal Management

B. Iowa Emergency Juvenile Shelter Care providers:

1. American Home Finding Association Agency, Iowa
2. Black Hawk County Youth Shelter Waterloo, Iowa
3. Clarinda Academy Shelter Clarinda, Iowa
4. Crittenton Center Sioux City, Iowa
5. Children's Square Council Bluffs, Iowa
6. Forest Ridge Boys Shelter (YSI) Estherville, Iowa
7. Forest Ridge Girls Shelter (YSI) Estherville, Iowa
8. Foundation 2 Shelter Cedar Rapids, Iowa
9. Four Oaks Independence, Iowa
10. Four Oaks Iowa City, Iowa
11. Francis Lauer Youth Services Mason City, Iowa
12. Hillcrest Dubuque, Iowa
13. Kinsman Shelter (Family Resources) Davenport, Iowa
14. Linn County Youth Shelter Cedar Rapids, Iowa
15. Polk County Youth Shelter Des Moines, Iowa
16. Quakerdale Manning, Iowa
17. Quakerdale Newton, Iowa
18. Rosedale Shelter (YSS) Ames, Iowa

- | | |
|---|------------------|
| 19. South Central Youth and Family Services | Indianola, Iowa |
| 20. Woodhaven Shelter (LSI) | Waverly, Iowa |
| 21. Youth and Emergency Shelter Services | Des Moines, Iowa |
| 22. Youth Shelter Care of No. Central Iowa | Fort Dodge, Iowa |

C. The numerous individuals who took part in the 11 public input sessions held statewide who, in addition to department staff, represented the following:

1. Besides shelters, other area providers of services to children and families
2. The Coalition for Family and Children's Services of Iowa
3. Court Appointed Special Advocates
4. Juvenile Court Services
5. County government officials
6. Area schools and Area Education Agencies
7. Foster parents
8. Additionally, written comments were submitted to the department from persons who either could not attend or wanted to supplement their personal presentations

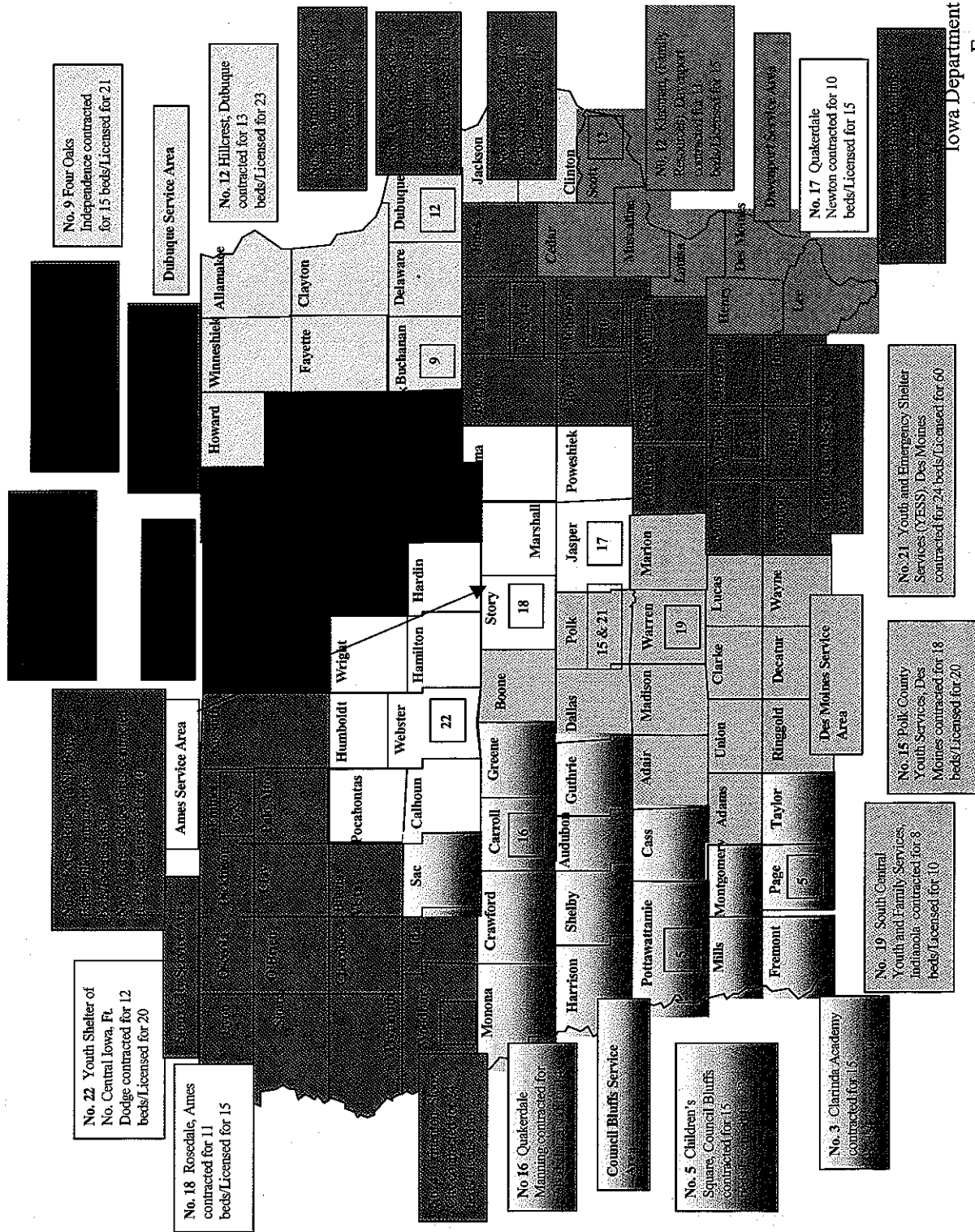
D. The following national organizations that gathered information from their members or colleagues across the country and additional resources used.

1. The National Association of Public Child Welfare Administrators (NAPCWA) and American Public Human Services Association (APHSA), Washington, D.C.
2. The National Resource Center for Family-Centered Practice and Permanency Planning at the Hunter College School of Social Work
3. Center for The Support of Families (CSF), Moncks Corner, South Carolina
4. Bilchik, Shay. "Shelter Care vs. Family Foster Care." Child Welfare League of America <http://www.cwla.org/execdir/edremarks0505.htm>
5. Michael, Jennifer. "When Children Need A Home In A Hurry." Children's Voice (Child Welfare League of America), March/April 2006 <http://www.cwla.org/voice/0603emergencycare.htm>
6. Oakes, Joyce Emily and Madelyn Freundlich. The Role of Emergency Care As A Child Welfare Service. United States: CWLA Press (Child Welfare League of America), 2006.

E. The following states that responded to email surveys or personal contacts and shared information about their emergency and juvenile shelter services:

- | | | |
|--------------|-------------------|----------------------|
| 1. Arizona | 10. Nebraska | 19. Virginia |
| 2. Idaho | 11. New Hampshire | 20. Washington, D.C. |
| 3. Illinois | 12. New Jersey | |
| 4. Indiana | 13. New York | |
| 5. Kansas | 14. Ohio | |
| 6. Louisiana | 15. Oregon | |
| 7. Maine | 16. Pennsylvania | |
| 8. Maryland | 17. South Dakota | |
| 9. Minnesota | 18. Utah | |

Appendix B. Iowa Emergency Juvenile Shelter Locations within DHS Service Areas SFY 2007



Note that all contracted beds are guaranteed for payment. The numbers in the boxes also correspond to the shelter list in Appendix A.