



## Shelter Care

Shelter care is a child welfare and juvenile justice service that provides temporary, emergency care placement for children. The placement is intended to be short term, usually 30 days or less. Placements, other than by court order, are limited to 48 or 72 hours, depending on the circumstance.

A child may be placed in shelter care for several reasons. The Department of Human Services (DHS) may place the child in a shelter facility in response to a child abuse report, a Juvenile Court may order the placement, or placement may occur if a Juvenile Court Officer believes the child has violated a disposition order. After being adjudicated delinquent (under a court's jurisdiction due to committing a delinquent or incorrigible act), a child is not "sentenced," but receives a disposition order from the court that involves either probation or placement. A child in a delinquency position must comply with a rehabilitative plan that is usually not time-limited.

Law enforcement may also place a child in shelter care if the child is believed to be a runaway, has committed a delinquent act, or it is necessary to hold the child for transfer to another jurisdiction. According to the statewide census reports from contracted juvenile shelters, 53.0% of referrals were made by the DHS, 21.0% by Juvenile Court Services, and 26.0% by law enforcement in FY 2010.

### Funding and Provider Payments

Shelter care is funded with a combination of State, federal, and county funds. State funding is provided through an annual allocation from the Child and Family Services appropriation to the DHS. The combined State and federal budget is an estimated \$9.0 million for FY 2010 and \$9.2 million for FY 2011. See the chart below for total funding.

	Actual FY 2009	Actual FY 2010	Estimated FY 2011
State	\$ 7,697,918	\$ 7,909,608	\$ 8,218,118
Federal	1,264,040	1,133,854	985,542
Total	\$ 8,961,958	\$ 9,043,462	\$ 9,203,660

Title IV-E funding is the most significant source of federal funds dedicated to shelter care. Federal funds for children eligible for Title IV-E will cover 9.3% of the estimated State expenditures for shelter care in FY 2011. It is estimated that 20.8% of children in shelter care will be IV-E eligible at the Federal Medical Assistance Percentage (FMAP) match rate of 62.85%. The State's total cost obligation includes the per diem paid when a child is placed in a shelter bed and the guaranteed payments made for contracted but unused beds. Title IV-E does not provide a federal match for unused beds.

A temporary increase in the FMAP of 6.2%, as a result of the federal American Reinvestment and Recovery Act (ARRA) of 2009, was effective October 1, 2008. As a result, an estimated \$115,000 in additional Title IV-E federal funds were received in FY 2009 for shelter care. Savings due to the increase in the FMAP percentage were transferred to the Human Services Reinvestment Fund per HF 820 (FY 2010 Federal Funds Act). House File 820 also included an additional allocation of \$500,000 of ARRA discretionary funds to shelter care for FY 2010. The increased FMAP percentage of 6.2% continued through FY 2010 and provided an estimated \$85,000 in additional Title IV-E funds. The FMAP increase of 6.2% is scheduled to end December 31, 2010. However, in August of 2010, the President signed the Federal Aviation Authority Air Transportation Modernization and Safety Improvement Act that will provide a phased-down enhanced FMAP percentage of 3.2% for the third quarter of State FY 2011 and 1.2% for the fourth quarter. In total, the FMAP increases will provide an estimated \$52,000 for FY 2011.

The General Assembly sets both the daily maximum payment and the State share of the maximum payment that may be paid to shelter care providers for each contracted bed. For FY 2010, the daily maximum payment was set at the lesser of \$139.01 or a provider's actual and allowable cost. The State share of this maximum rate is \$92.36. If a provider's actual daily cost per child was

### More Information

Department of Human Services: [Child Welfare Emergency Services Report and Recommendations for SFY 2010, March 2009](#)

LSA Staff Contact: Deborah (Helsen) Thompson (515-281-6764) [deborah.thompson@legis.state.ia.us](mailto:deborah.thompson@legis.state.ia.us)

\$92.36 or less, the State paid the full actual cost. If the actual and allowable costs exceeded \$92.36, providers were permitted to bill counties for the remaining cost up to \$46.65 per day.

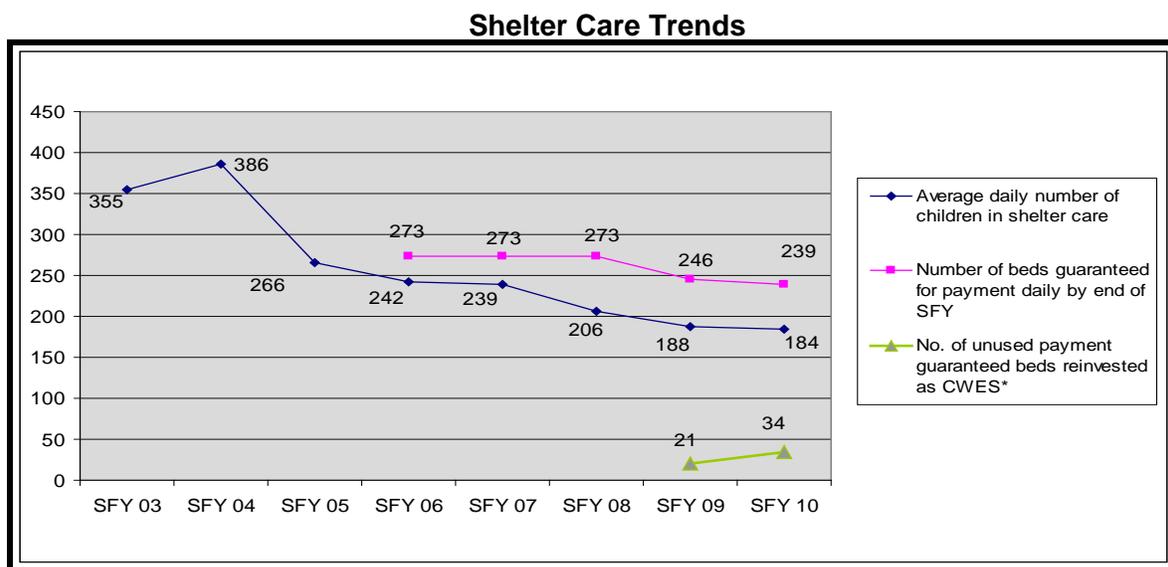
The statewide average actual and allowable maximum rate for FY 2011 was capped at \$139.01 in HF 811 (FY 2010 Health and Human Services Appropriations Act). This is no change compared to FY 2010. The rate was increased by \$2.66 to \$138.10 in FY 2008 and again by \$0.91 to \$139.01 in FY 2009. Both of these increases were funded by increasing the State share of this maximum allowable payment. The county share has remained at an amount up to a maximum of \$46.65 since FY 2004 in order to hold counties harmless from increases in shelter care costs. The statewide average and actual cost of shelter care is estimated at \$167.72 for FY 2010. This is \$28.71 more than the payment cap set in HF 811. For FY 2011, it is estimated that the statewide average and actual cost of shelter care for one bed per day will be \$167.30. Language in HF 2526 (FY 2011 Health and Human Services Appropriations Act) did not increase the maximum allowable payment from \$139.01. Therefore, shelter care facilities must make up the difference of an estimated \$28.29 per bed per day with another source of funding other than the funding provided by the State and the counties.

**Fiscal Year 2010 Shelter Care Utilization**

In FY 2006, the General Assembly required the DHS to guarantee payment for all contracted beds daily statewide. Guaranteed means the beds are paid for each day by the State whether used or not. At the beginning of FY 2010, 246 guaranteed beds were provided by 22 facilities that had contracts with the DHS to provide shelter care. By the end of FY 2010, the number of beds DHS had under contract was reduced by seven guaranteed beds to a total of 239 beds. Funding for the reduced unused beds is redirected to provide child welfare emergency services (CWES) for children that might otherwise be placed in shelter care. In FY 2010, there were 427 licensed shelter care beds in the State.

For FY 2010, the average daily number of children in shelter care was 184, a decrease of four children on average compared to FY 2009. Shelter care utilization reached the highest point in the last eight years in FY 2004, with an average daily number of 386 children. By the end of FY 2010, the Department guaranteed daily payment for a total of 239 contracted beds, down from 246 beds at the beginning of the fiscal year. However, 62 beds on a daily average basis were unused at a cost to the State of approximately \$2.1 million in FY 2010. This is a decrease of \$258,000 compared to FY 2009. The State paid approximately \$6.2 million for FY 2010 for the contracted guaranteed beds that were used. This is a decrease of \$100,000 compared to FY 2009. Efforts to reduce guaranteed beds resulted in \$971,812 of State funding reinvested in CWES instead of empty guaranteed beds for a total of 34 reduced beds since FY 2008. Annualized for FY 2010, the amount reinvested would be \$1.1 million. The Department's estimated cumulative reduction of 36 beds in FY 2011 will result in estimated annualized savings of \$1.2 million to be redirected toward CWES.

The chart below displays the trend of congregate care that has diminished significantly since FY 2004. The chart also reflects the number of beds that have been reinvested to CWES. The development and use of CWES has increased options for children that may have otherwise used shelter care.



Source: Child Welfare Emergency Services Report and Recommendations for SFY 2010, March 2009, and subsequent utilization data provided by contracted shelters.

**Child Welfare Emergency Services Ad Hoc Committee and Public/Private Partners Workgroup**

In SF 2425 (FY 2009 Health and Human Services Appropriations Act), the Department was directed by the General Assembly to work with the Coalition for Family and Children's Services in Iowa and other providers to develop or expand child welfare emergency services in lieu of providing empty shelter care beds. As a result, an ad hoc committee of both Coalition and non-Coalition shelters worked with the DHS to facilitate local planning in the DHS service areas during the summer of 2008.

Subsequent to the initial efforts of the local partners and the Ad Hoc Committee, and after continued efforts of the Child Welfare

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Emergency Services Public/Private Partners Workgroup that was later formed, 12 of the 22 State-contracted shelter care providers have reduced 34 guaranteed beds collectively at the end of FY 2010. Funds appropriated to these contractors were once used only to pay for emergency bed capacity in the form of both used and unused facility beds. These shelters are considered pilot projects, since they are the first to venture into providing CWES with the money saved from the reduction in guaranteed beds. For FY 2011, it is estimated that at least two more beds will be reduced for a total of 36 beds since the initiative started.

Currently, the Workgroup is discussing recommendations to identify the appropriate capacity for child welfare emergency services for implementation in FY 2012. The Workgroup is reviewing client demographics and the types of emergency services that are currently used in the piloted agencies. A common definition for CWES is also in development. A report with recommendations will be submitted by December 15, 2010, as required by HF 2526. The Department will release a request for proposal in FY 2011 to begin new contracts with providers in FY 2012. Language in HF 2526 permits the Department to include provisions relating to child welfare emergency services in any contracts they have with shelter care providers.

### **Child Welfare Emergency Services**

The 12 pilot projects have offered different services to approximately 1,600 children under the age of 18 in FY 2010. Services have included but are not limited to:

- Screening and assessment for CWES for children referred by the DHS, Juvenile Court Services, and law enforcement.
- Crisis telephone line, mobile staff availability, and crisis response and mediation services offered at the shelter site or other locations for ease of access.
- Emergency assessments for children in protective custody to evaluate their needs while arrangements are made for services.
- Diversion from unnecessary shelter bed placement or extended stays by offering alternatives to placement when appropriate.
- Follow-up mediation services when appropriate for children and families after initial CWES have been provided.
- In-home shelter.
- Functional family therapy.

The projects are also monitoring the appropriateness of shelter care placement. For FY 2011, the Department is planning to continue to work with the Child Welfare Emergency Services Public/Private Partners Workgroup in an ongoing effort to promote new CWES projects.