Legislature Resolution 37
Child Welfare Reform in Nebraska
August 3, 2011

Senator Campbell and members of the Health and Human Services Committee, my name is Beth Baxter, Regional Administrator for Region 3 Behavioral Health Services. Thank you for the opportunity to speak to the Committee and share my concerns and ideas regarding child welfare reform in Nebraska. I appreciate the Committee's forward looking direction with this Legislative Resolution and your willingness to study this issue with the intent of improving reform strategies for the future.

As I've participated in child welfare reform activities, listened to and participated in the statewide dialogue I want to reinforce that nobody disagrees with the vision set out in the Families Matter initiative that Nebraska will be a national leader in serving children and families in need. That's what we all want. And, nobody disagrees with the fundamental premise of child welfare reform and the belief that:

- Families matter,
- Children grow best in their own homes,
- Children should be reunified or moved to permanency through adoption or guardianship in a timely manner, and
- Families should get services earlier and be offered services after they leave DHHS.

The vision and goals are not flawed, but the manner in which the Department has tried to implement child welfare reform falls short of where it needs to be. I will address the areas outlined in this hearing from three main vantage points that include:

- A systems perspective gained through 14 years of experience in children and family system of care work,

- Active participation and leadership in statewide systems reform efforts in behavioral health, and

- Experience in partnering with private agencies to create the Alliance for Children and Family Services, LLC that was selected to be a lead agency. The Alliance spent nearly one full year in good faith efforts to move forward with child welfare reform only to have to make the difficult decision not to sing the ongoing contract due to the Department of Health and Human Services announcement that it had cut the Alliance's anticipated contract amount that resulted in a 40% cut in monthly revenue. Alliance leadership knew it could not provide the quality and array of services needed to effectively meet the goals of child welfare reform and outcomes for children and families.

The first area I'd like to address is the critical issues experienced with Boys and Girls Home as a lead agency. I want to emphasize that my experiences with Boys and Girls Home in early child welfare reform efforts was that they were people committed to reforming the system and brought decades of child serving experience to the process.

1. There's a significant difference between providing direct services and managing a system. Boys and Girls Home lacked the infrastructure to do the work of system management that includes effective partnering with families and youth, contract management, subcontractor monitoring, support and payment, data driven decision making, and value based fiscal planning. Their lack of experience and infrastructure for system management proved too much to overcome.

2. Boys and Girls Home had a long, successful history of providing residential services but didn't have the experience in providing foster care or what it took to effectively support foster families. They had experience in providing family support services but didn't know how to provide effective case management and care monitoring which were paramount to implementing child welfare reform. .

3. Boys and Girls Home lacked an adequate information system that would allow them to make real-time data driven care and fiscal management decisions.

Next I would like to address the top three issues facing the child serving system in the Region 3 area brought about by child welfare reform. These include:

1. A decrease in service providers due to lack of referrals and lack of payment.

2. The dismantling of system of care components that are essential to sustainable reform including the lack of support for the Family Organizations and an effective case management model known as the Integrated Care Coordination Units

3. Increased demand on behavioral health services through the Regional Behavioral Health Networks that have a capped amount of funding. The payment of behavioral health services historically paid for with child welfare funds has shifted to the behavioral health regions. DHHS has identified a short-term solution that requires cost shifting but has not yet shared the long-term strategy to resolve this issue.

The third and final area to address at this time is the offering of recommendations for child welfare reform in the future.

1. First and foremost is the necessity of the Department's good faith effort to ensure that providers receive 100% of the funds owed to them for the services they have provided to children who are the responsibility of the Department through either a court order or non-court involved on a voluntary basis. This includes the negotiated settlement between the

Department, Boys and Girls Home and providers. Plus, the Department must make up the difference in payments owed to providers for services rendered. It's the old reframing process of changing from "this is why we can't do it to let's find a way that we can do this." Without this full and complete good faith effort by the Department providers, families and youth will continue to distrust the Department, additional providers will close their doors, and the gap between service need and access will only widen.

2. I would recommend the Division of Children and Family Services look at what's worked in the past. The Integrated Care Coordination Units across the state were cost effective and produced positive outcomes. The ICCUs also developed innovative services that kept children out of the child welfare system and with their families (in Family Matters' vernacular these are non-court involved children and their families).

3. Take a page out of the history book of behavioral health reform. The Governor and Legislature acknowledged the need and then provided start-up funds that supported the development of necessary services that allowed for the transition from the most restrictive levels of care to community-based services. There was a legislative mandate for the development of the Behavioral Health Oversight Committee that provided oversight and sought accountability on the part of the Department, the Regions and providers. There was a well thought out process to move funds from the most restrictive levels of care to community-based services and a process to monitor progress at the system, program and practice levels.

4. Remove the heavy handed management of the Central Office of DHHS and allow Service Area leadership to work with stakeholders to identify and implement reform strategies that will succeed in their Service Area. I would like to offer that child welfare reform doesn't have to take the cookie cutter approach and look exactly the same in urban, rural and frontier areas of Nebraska. Each Service Area can operate from a single statewide vision, work towards common goals and outcomes but do so in a manner that considers the Service Area's strengths, needs, gaps and resources. The old adage is true: *If you always do what you've always done you'll always get what you've always got.*

5. Implement proven system of care principles that effectively address the needs of children with multiple and complex challenges and their families. There's extensive literature that supports system of care principles, outlines strategies needed to implement these principles, and sustains reform efforts. It's more than paying lip service to reform it's a commitment to learn the principles, act upon them, provide resources to fully support the principles, and implement a quality improvement process that uses real-time data to effectively manage the system.

Senator Campbell and members of the Health and Human Services Committee, I'd like to thank you for your leadership in child welfare reform and commitment to make it right for Nebraska's children and families. Nebraska can't afford to go down the same path of reform that hasn't

worked and as the "Through the Eyes of a Child" initiative has so effectively articulated children don't have time to wait for us to get it right. Even one month of delay may seem inconsequential to us...but it represents a significant portion of a child's life that can never be regained.

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Mid-Plains Center
for Behavioral Healthcare Services, Inc.

Legislative Resolution 37 Testimony
August 3, 2011

My name is Scott Dugan, President & CEO of Mid-Plains Center for Behavioral Healthcare Services, Inc. Our organization has provided a full array of mental health, addiction, and child welfare services throughout central Nebraska for more than 40 years.

I am here to speak to you today regarding our experiences over the past couple years related to the HHS Child and Family Services Division contracts. I believe that I bring a unique perspective in that I was a founding member of the Alliance for Children and Families, which was originally selected to be a lead agency in the Central Service Area but chose not to sign the contract. There are several factors that led us to that decision, but those details can be discussed if desired as I would like to addressed the topics designated by this Committee.

1. TOP THREE ISSUES EXPERIENCED WITH BOYS & GIRLS HOME (BGH) AS A LEAD AGENCY

   a) From the beginnings of our coordination and discussions with BGH it was evident that they did not have the administrative structure and resources to manage a system of care as broad and complex as child welfare. In order to manage a network of providers in a complex system involving many parties an organization must have a solid IT backbone in place, clear administrative roles defined, and written procedures that facilitate exchange of information smoothly. BGH did not have such an infrastructure in place when case transitioning began, and it was many months until there were even signs of this being developed.

   b) Communication is a topic of concern with nearly every level of every organization. While it is understood that anytime there are changes new ways of communicating must be developed. However, the situation with BGH was by far one of the worst I have seen in some time. It was not uncommon to wait weeks, and sometimes months, to get any information regarding families in care. Even at an administrative level the communication was virtually nonexistent. To this day, despite many letters, emails, phone calls, and accusations in the newspaper, the BGH CEO has never once responded to my pleas for a discussion related to the status of the cases and contracts. There were of course some Service Coordinators that were excellent at their job, but by and large there was little opportunity for meaningful discussion to help improve the system.

   c) Finally, and probably the most public and discussed issue is the financial management. I began raising the payment issue in May of 2010 when we had yet to receive our payment for services delivered in March. The contracts providers had with BGH stated that payment would be made within 60 days after receipt of the billing information they required. Beginning with the May 2010 date, each month we were finding it to take longer and longer to get payments, and when the payments would come in they would only be partial payments with little to no information as to why. My repeated calls and attempts to discuss this with the leadership at BGH went unreturned. Throughout this time I had conversations with some of you, and with Director Reckling, trying to prevent the situation from

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growing to the point it reached last October. The fallout from the lack of payments not only affects provider businesses, but the foster care system has seen a dramatic drop in interest from families desiring to be foster parents.

2. TOP THREE ISSUES CURRENTLY FACING OUR ORGANIZATION

a) The number one issue facing us and other providers is the financial strain this change has placed on the organization. Not only have we lost $140,000 in revenue for services delivered, but the changed system has resulted in lower reimbursements with higher demands that make the business model fail. My background is in business and financial planning so I believe that my analysis has substantial credibility and is not based on emotion. What we have seen in the service areas currently without a lead agency is that contracts with HHS are requiring us to perform many of the functions assigned to the remaining lead agencies without the funding to support it. Further, changes to the reimbursement structures have resulted in a manipulation of the system to the point that although our number of children in care has doubled, our reimbursement has dropped 40%.

b) A second issue we currently face is the continued lack of flexibility in the design of the system. We have been providing true evidenced-based practices for nearly 15 years and have many creative and results driven strategies that could effectively address many family issues with those involved with HHS. However, we are consistently met with resistance to making changes. It often comes down to being stuck in the traditional siloes of funding where we try and fit a family into a specific slot that has been identified for funding. But we are consistently finding that families are needing a more flexible and creative approach to reach stability.

c) Uncertainty of what the future holds is an overarching issue that continues to weigh heavily on all organizations in our service area. We have now seen three lead agencies cancel contracts, each time the providers have been left with outstanding payments that are only settled in part. If there is a continued move to contract with a new lead agency in Central, Western, and northern areas I do believe many of us will be evaluating our ability to continue providing these services given this track record. I have already been contacted by organizations from Florida, Kansas, and Texas who are seeking a potential lead agency contract. What happened to Nebraskans taking care of Nebraskans?

3. WHAT RECOMMENDATIONS YOU HAVE REGARDING CHILD WELFARE IN THE FUTURE?

While I certainly will not pretend to have all the answers to these challenges I would offer a few things that may help move the system in a better direction. First, there must be some protections put in place regarding the financial risk that any provider of services will face. This may mean new statutory language that provides relief funds for the potential situations we have seen with BGH & Visinet. Providers are frustrated because we have seen HHS find $more than $20 million of new money to help the lead agencies, but nothing has been done to help those of us who are actually taking care of the children and families in care.

Secondly, I would suggest that if the decision is made to move forward with selecting a new lead agency for our service area there should be some involvement from us providers and more robust vetting of the contracted entity. There clearly was not a good review process to ensure that the lead agency candidate was capable of managing the system as asked, so it would be important that there are clearly established requirements and a thorough review of the organizations capacity to operate a system of care. As for provider involvement, no one knows better what the landscape of the service area looks like than the entities providing direct services. Why would we not have a provider panel as part of the selection and vetting process so that everyone can be confident that the new lead agency can deliver what HHS is asking?

I thank you for the opportunity to discuss my experiences in this system transition. I caution us all that we should stay focused on the goal we are trying to achieve and not get stuck in making sure our idea is the one that wins. There is no shame in saying "This did not work" and changing the direction of our plans. Each failure brings us one step closer to success if we let it.

Thank you for your continued service to Nebraska.

Scott A. Dugan, MBA
President & CEO

Health and Human Services C mmittee
LR-37
August 3, 2011

Good morning, Senator Campbell and members of the Health and Human Services Committee. My name is Yolanda Nuncio (Y-O-L-A-N-D-A N-U-N-C-I-O) and I am the Central Service Area Administrator for the Nebraska Department of Health and Human Services. The Central Service Area is comprised of 21 counties. The Department has offices in the cities of Grand Island (2), Hastings, Kearney, Holdrege, Clay Center, Ord and Broken Bow. My office is located in Grand Island. I am pleased to have this opportunity to provide you information about child welfare and juvenile services in the Central Service Area.

Today, I will be discussing the impact the loss of our lead contractor, Boys and Girls Home of Nebraska has had in the CSA, the positive changes that we have made in the CSA, as well as some of the challenges that we continue to face.

Families Matter is a statewide initiative regarding child welfare and juvenile services, not just the Department's use of contracted case management in the Eastern Service Area and South East Service Area. Families Matter is our name for Nebraska's focus on the entire child welfare/juvenile justice system and the implementation of improvements to help produce the right outcomes for children and their families. The goals of the Families Matter initiative are to insure that children and communities are safe, to see that children are connected to a caring adult and have the tools to lead productive lives. This includes the Central Service Area. Through these reform efforts, the Central Service Area has been successful in reducing the number of state wards from 675 in November 2009 to 568 in June 2011. In June 2011, the CSA was also serving 38 families outside the formal court, or non-court involved.

On September 30, 2010, the contract between the Department and Boys and Girls Home of Nebraska to provide non-treatment services and service coordination was terminated. Following that date, the responsibility for locating and providing services to children and their families involved with the child welfare or juvenile services system returned to the Department.

CSA was fortunate to regain many of its former service providers when Boys and Girls Home's contract ended. In addition, providers that had been offering services in other areas began providing services in CSA. We have also added a few new providers as well. New providers include Futures Family Services (providing Family Support Services, Supervised Visitation, Tracker Services and Drug Testing Services) and Nebraska Children's Home (Agency Supported Foster Care).

In addition to contracted services, we work closely with community-based agencies to provide important services to children, youth and families. The motto of the CSA is "Helping families help themselves" – so partnering with Community agencies is an important way that families can achieve this goal. Community based services utilized on a regular basis, include but are not

limited to: parenting education programs, GED programs, foster care closet, TeamMates, Big Brothers/Big Sisters, Boys and Girls Club, free dental clinics, mental health therapy, drug/alcohol education and treatment, housing authority, public schools, and domestic violence groups.

The CSA is fortunate that we traditionally have had a strong relationship with Region 3 Behavioral Health Services. Region 3 representatives serve on our local Families Matter Stakeholders committee and participate with us as a resource and referral source for children and families with mental/behavioral health issues. We also collaborate in training opportunities for staff.

CSA recognizes the need for more services to serve the delinquent population, especially around behavior modification, drug and alcohol education and independent living. CSA has met with several providers, including Mid Plains, Boys Town and Region 3 Behavioral Health Services, to discuss this need.

Placement Services:

A goal of the Families Matter initiative is to ensure that children remain home or are placed with relatives whenever it is safely possible. All efforts are made to keep a child in their home if the child's safety can be assured. With use of in-home supports and services, the Central Service Area has been able to increase the percentage of children served in their home from 29% in November 2009 to 36% in June 2011.

Some children need to be placed in an out-of-home setting while their caregivers work on addressing the safety threats that lead to the child's removal. Placing a youth with a family member or someone previously known to the child is a priority for CSA staff. As such, the number of children placed in kinship care has increased since 2008. In 2008, the CSA had 66 relative or known to the child approved foster homes. As of June 1, 2011, we have doubled the number of children placed with relatives or family friends to 135.

When children cannot be safely placed with a relative in an approved foster home, the next least restrictive placement is with a licensed foster family. While the number of licensed foster homes has decreased, this drop in licensed foster homes reflects the on-going shift to kinship care or use of someone known to the family. The Nebraska Foster and Adoptive Parent Association (NFAPA) helps recruit and train foster parents. As a result of their efforts, the Nebraska Foster and Adoptive Parent Association reports 40 new foster home inquiries within the last two months. We will continue our efforts to increase the number of quality foster care families.

There is a shortage of foster homes across the Central Service Area that are willing to care for the teenage population and those children with more serious behavioral issues, many foster homes are not appropriate for these youth. We continually focus on finding the best possible

match between a child and a foster family. This need is being addressed with the eight Agency Foster Care Agencies to recruit, train and retain foster care families. These contractors are:

- Boystown
- Christian Heritage
- Compass
- Epworth Village (NEW)
- Mid-Plains Center for Behavioral Health
- OMNI
- South Central Behavioral Health Services
- Nebraska Children's Home (NEW)

These agencies are also able to support and train relative and known to the child approved foster homes. With this support, the children and youth placed in out-of-home care in the Central Service Area will experience improved placement stability.

Unfortunately, not all youth can reside in the family home setting due to their behavior and supervision needs. At this time there is a shortage of alternative placements, including group home and shelter beds, in the Central Service Area. As a result, youth are being placed outside of the service area. Currently, there is one group home for boys located in Grand Island. There are currently no group home beds available for girls in our service area. CSA also has a need for more temporary placements, especially shelters. While the Boys Town shelter (12 beds maximum) is located in Grand Island, it is almost always at capacity. With the close of the Boys and Girls Shelters, we are left with few alternatives.

As part of the Families Matter initiative, we have redoubled our efforts to collaborate with our partners to improve child welfare and juvenile services outcomes. A stakeholder's group was established in the Central Service Area to gather input from community stakeholders. Members of this group include representative from CASA (Court Appointed Special Advocate), Foster Care Review Board, Probation, legal community, educators, mental health professionals, service agencies, the Child Advocacy Center, Law Enforcement, Foster Parent Support Agency, and Family Advocacy Organizations. We meet monthly to discuss upcoming changes, outcome data and community issues that affect children and families. One of the group members also serves as a representative to the Statewide Partners Advisory Council.

It is important to monitor our performance through the outcomes that children and families experience when interacting with the child welfare or juvenile services system. Increased availability of service area specific data from Central Office has been helpful. This data is shared with staff and stakeholders to make improvements in the outcomes for children and families and to celebrate the successes. Data are shared on a quarterly basis to determine the system's progress with the Program Improvement Plan goals and to determine if new goals need to be established.

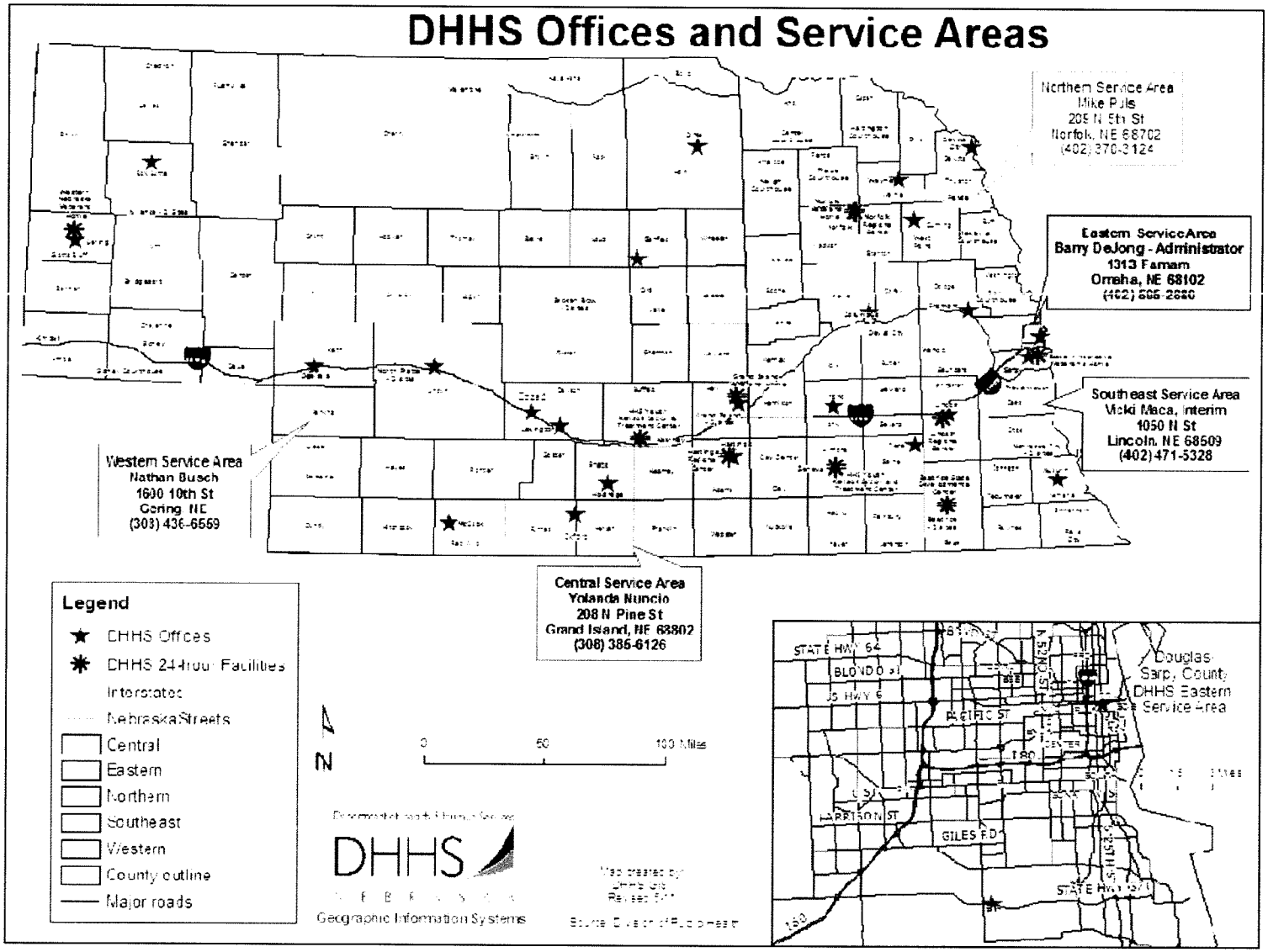
In order to monitor this, the State, including the Central Service Area, participates in quarterly Children and Family Services Reviews (CFSR) reviews. In the last quarterly CFSRs completed in 2011, the service area has consistently showed strengths in the areas of non-occurrence of maltreatment, children not re-entering the foster care system, placement of children with their siblings, placement of children near their home of removal, monthly visits to the child by their caseworker, and assessment of the child's educational and mental/behavioral health needs. Areas needing improvement include establishing permanency for children earlier, assessment of the needs of the parents and other children living in the home, involvement of both parents and the child in case planning, maltreatment in a foster care setting and placement stability.

The Central Service Area established a Permanency Planning Team in 2008 to staff cases of those children and youth who have had difficulty achieving permanency. The team is comprised of Department staff from different disciplines, CASA, and Family Advocates. As a result, the CSA has improved its outcome on the establishment of permanency for children who have been in care for long periods of time.

One of the most recent challenges we face involves the major demographic changes experienced by the communities in the CSA, especially in the cities of Grand Island, Hastings and Kearney. Immigrants and refugees have relocated to the CSA from Mexico, Central America, South America, Somalia and Sudan. Within the last few weeks we have had an influx of Karen refugees from Burma and Cuban refugees. The challenges that come with new communities include communicating effectively with families that may have different languages, religion, and culture. We continue to work with immigrant and refugee families using the same standards around the safety of children in the home while respecting their religious beliefs and their cultural beliefs. In the CSA we have Spanish and English bilingual CFS specialists in the Grand Island, Kearney and Hastings offices. We also have support staff that are bilingual in Spanish and English. In order to meet the needs of the other cultures we contract with interpreters.

The CSA is committed to making the Families Matter initiative succeed. We are committed to this initiative because we believe that doing our work in this way will help us help children achieve permanency. We want more children served safely at home. As our staff completes the Proficiency Development Training, we will continue to increase our assessment and evaluation skills in every situation without compromising children's safety. We continue to have the challenges that we have identified but we have a dedicated and qualified staff that are committed to the children and families in our community.

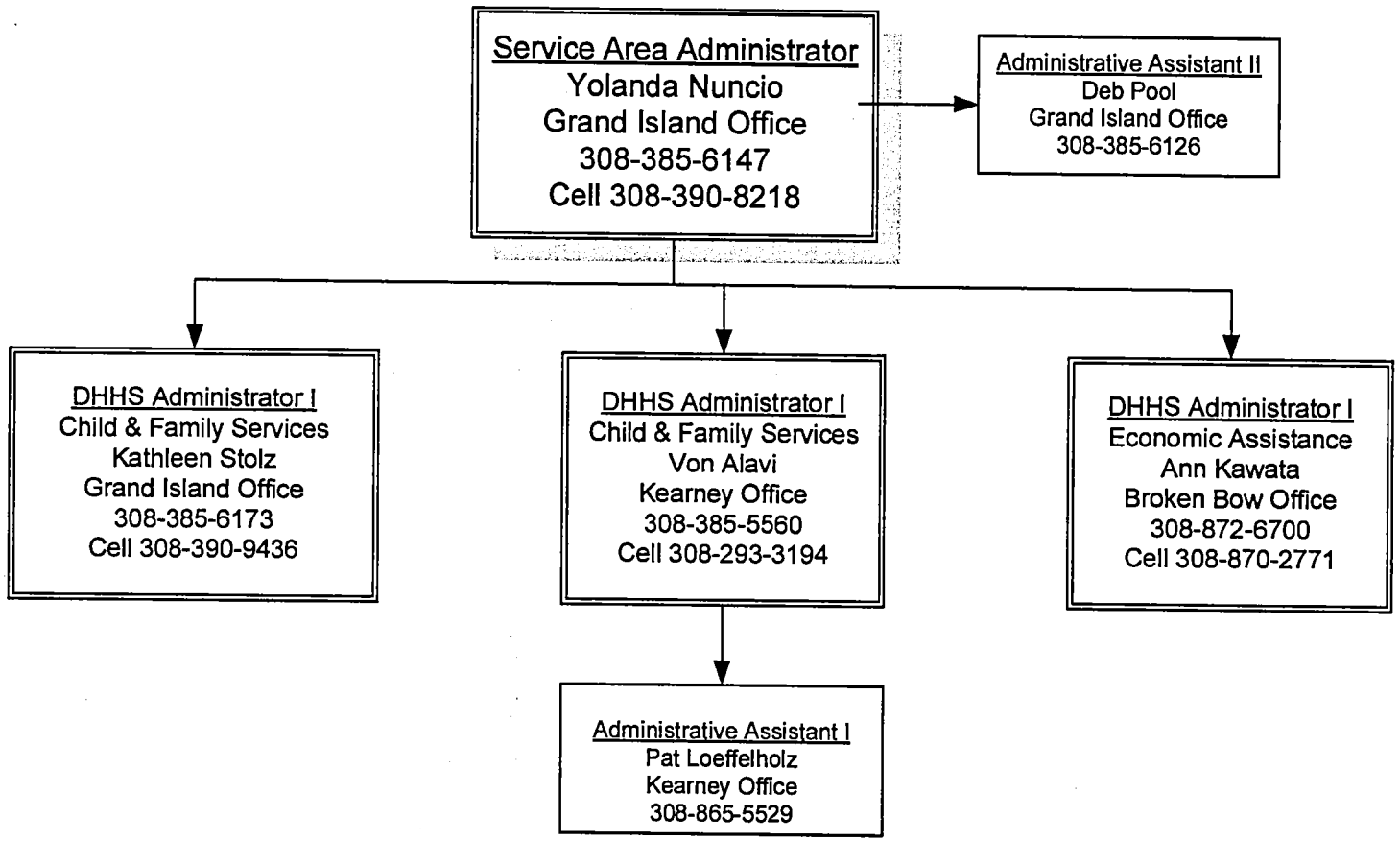
If you have questions, I will do my best to answer them. Thank you.



Central Service Area Counties

Adams	Custer	Hall	Kearney	Phelps	Wheeler
Blaine	Franklin	Hamilton	Loup	Sherman	
Buffalo	Garfield	Harlan	Merrick	Valley	
Clay	Greeley	Howard	Nuckolls	Webster	

Department of Health & Human Services
Central Service Area
Administrative Team



Nebraska Department of Health and Human Services
Central Service Area
Child Welfare Staff Numbers

Grand Island Office:
1 SAA Administrator
1 CFS Administrator
3 CFS Supervisors
17 CFS Specialists
1 RD Supervisor
4 Resource Developers
1 Administrative Assistant
1 Office Supervisor
4 CFS Case Aides

Hastings Office:
2 CFS Supervisors
10 CFS Specialists
1 Resource Developer
1 Office Supervisor
2 CFS Case Aides

Kearney Office:
1 CFS Administrator
2 CFS Supervisors
13 CFS Specialists
1 Resource Developer
1 Administrative Assistant
1 Office Supervisor
2 CFS Case Aide

Broken Bow Office:
1 CFS Supervisor
3 CFS Specialists
1 Office Supervisor
1 CFS Case Aide

Central Service Area

Established contractors include:

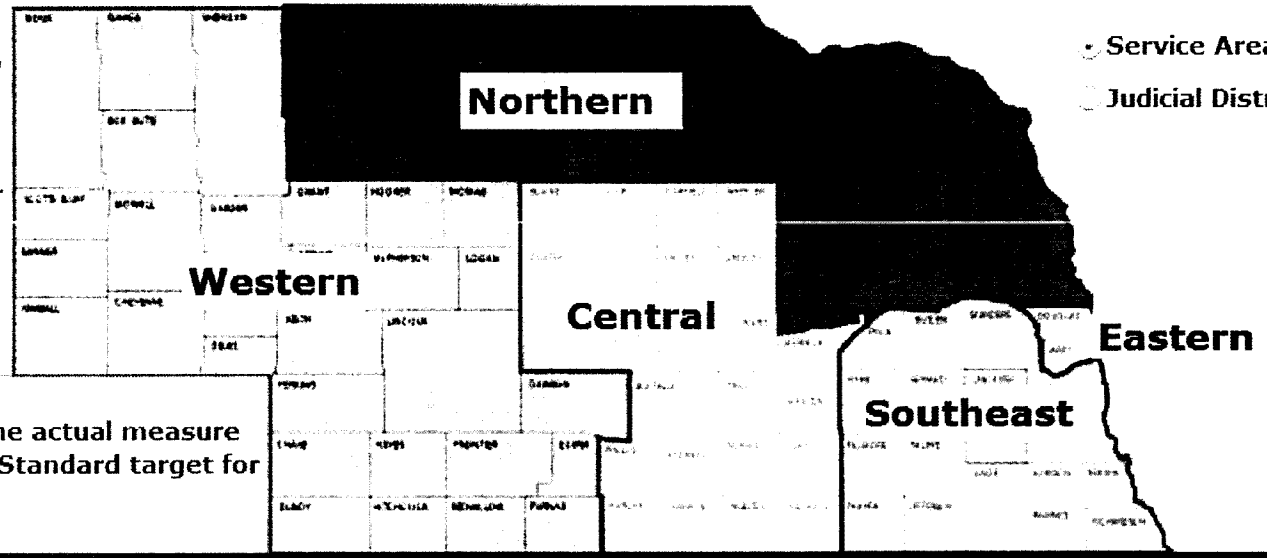
Non-Placement Services:

Central Mediation	Family Group Conferencing
Central Plains	Family Support Services/Supervised Visitation Services
Compass	Family Support Services/Supervised Visitation Services
	Intensive Family Preservation
Epworth Village	Family Support Services/Supervised Visitation Services
	Intensive Family Preservation Services
	In-Home Safety Services
	Tracker
	Drug Screening/Testing
Federation Of Families	Parent Advocacy
***Futures Family Services**	Drug Screening/Testing
	Tracker
	Family Support Services/Supervised Visitation Services
Midplains Center for Behavioral Health Care Services	Intensive Family Preservation Services
	Tracker
	Family Support Services/Supervised Visitation Services

Owens Educational Services (AKA Owens & Associates)	Drug Screening/Testing
	Tracker
	Electronic Monitoring
	Family Support/Visitation Supervision
Nebraska Foster and Adoptive Parent Association	Foster Parent Mentoring
	Training
Pathfinders	Drug Screening/Testing
	Family Support/Supervised Visitation
	In-Home Safety Services
South Central Behavioral	Drug Screening/Testing
	Family Support Services/Supervised Visitation Services
	Tracker

Nebraska DHHS Service Areas

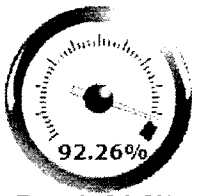
Move the mouse over the shaded words in the map to display the Federal Measures in the gauges below. You can choose either Service Areas map or Judicial Districts map by selecting the radio button on the right.



Service Areas
Judicial Districts

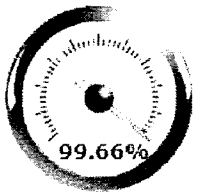
The gauges below display the actual measure along with the the National Standard target for your reference.

State - June 2011



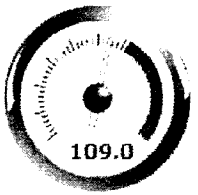
Target: 94.6%

Absence of Maltreatment Recurrence Indicator



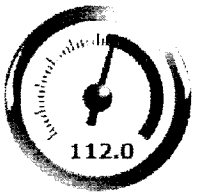
Target: 99.68%

Absence of Maltreatment in Foster Care Indicator



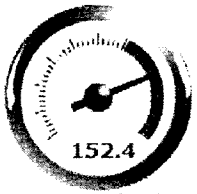
Target: 122.6

Timeliness and Permanency of Reunification - Composite Score



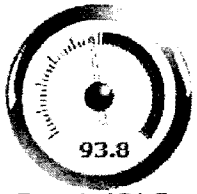
Target: 106.4

Timeliness of Adoption - Composite Score



Target: 121.7

Permanency for Children in Foster Care - Composite Score

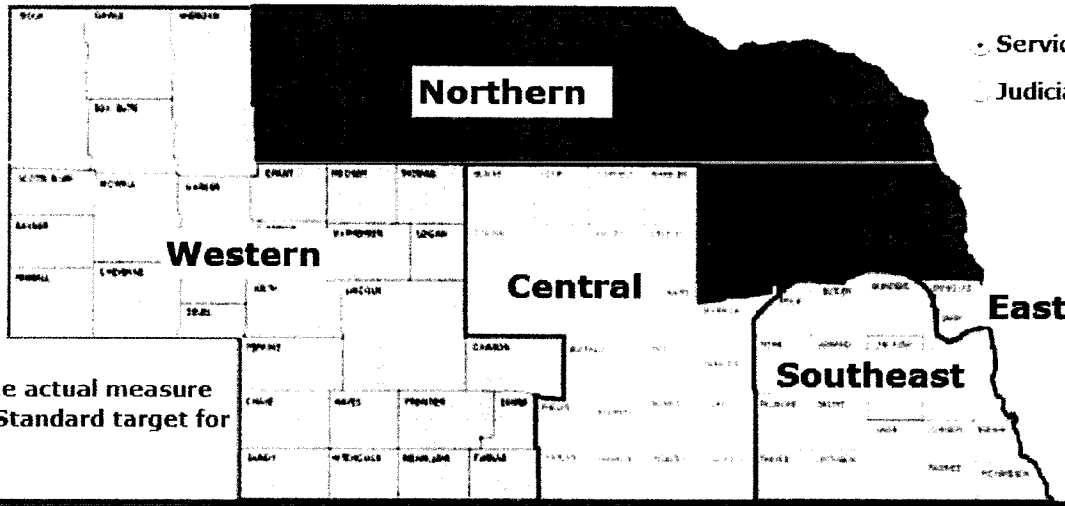


Target: 101.5

Placement Stability - Composite Score

Nebraska DHHS Service Areas

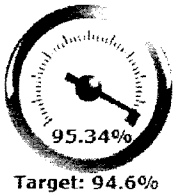
Move the mouse over the shaded words in the map to display the Federal Measures in the gauges below. You can choose either Service Areas map or Judicial Districts map by selecting the radio button on the right.



Service Areas
Judicial Districts

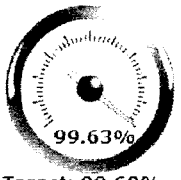
The gauges below display the actual measure along with the the National Standard target for your reference.

Central Service Area - June 2011



Target: 94.6%

Absence of Maltreatment Recurrence Indicator



Target: 99.68%

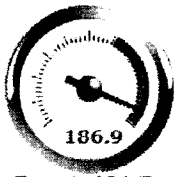
Absence of Maltreatment in Foster Care Indicator

Target: 122.6

Timeliness and Permanency of Reunification - Composite Score

Target: 106.4

Timeliness of Adoption - Composite Score



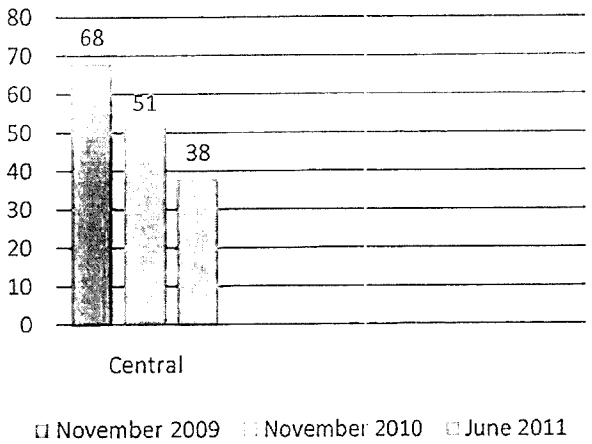
Target: 121.7

Permanency for Children in Foster Care - Composite Score

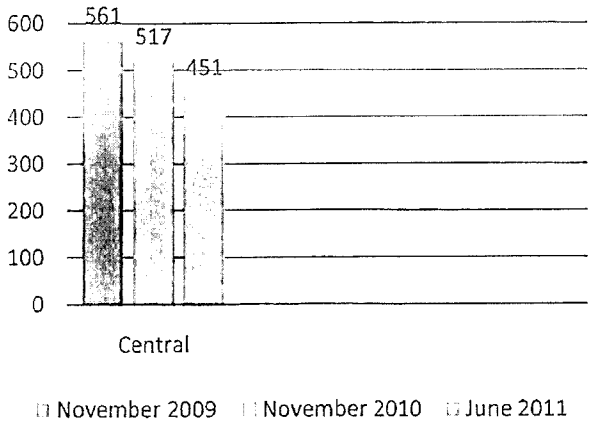
Target: 101.5

Placement Stability - Composite Score

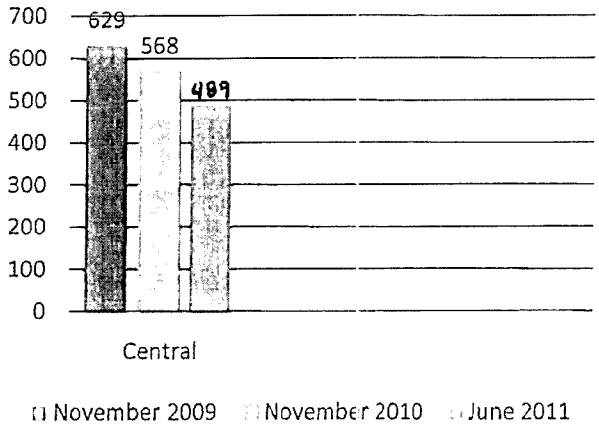
Non-Court Families



Court Families



Total Families



Total State Wards