

Residential placement settings for children in Minnesota: How do they align with the Family First Prevention Services Act?

May 2019

The federal Family First Prevention Services Act (FFPSA) became law in 2018. It aims to reform the child welfare system by providing federal reimbursement for services to prevent children from entering out-of-home care, and to limit federal funds for child placements in congregate care settings like children’s residential facilities and corporate foster care homes.¹ States have until October 1, 2021 to make the changes required under FFPSA. Minnesota has communicated an intent to start implementation on July 1, 2021.

Of the children who entered out-of-home care in Minnesota in 2017, about one-quarter (2,000 children) spent some time in a facility setting. In 2017, 47 percent of children’s residential facilities and 20 percent of corporate foster care homes received Title IV-E² funding for eligible children. In the same year, the state spent \$18 million on placements in these facilities, of which \$7 million were reimbursements from federal Title IV- E funds. FFPSA will affect the state’s ability to draw down federal Title IV-E funds for children in congregate care.

As part of the planning process for implementing FFPSA, Minnesota Management and Budget and the Minnesota Department of Human Services worked together to create a survey for licensed children’s residential facilities and corporate foster care homes. The survey asked about the services they offer and how their current practices align with the FFPSA requirements for specific types of group settings that may continue to be eligible for federal reimbursement. The survey focused on the requirements for “Qualified Residential Treatment Programs.”

¹ In the State of Minnesota, “children’s residential facilities” provide structured, temporary care in group settings; many offer intensive treatment for children with serious emotional disturbances or chemical dependency. “Corporate foster care” homes are foster homes in which the license holder does not live in the residence (in contrast to “family foster homes”); these homes are staffed with shift workers.

² Title IV-E of the Social Security Act is the largest federal funding stream for child welfare services, and includes foster care, adoption assistance, guardianship assistance, the Chafee foster care program for successful transition to adulthood, and waiver demonstration projects. States use a combination of Title IV-E funding, other federal funding streams, and state and local resources to administer child welfare services.

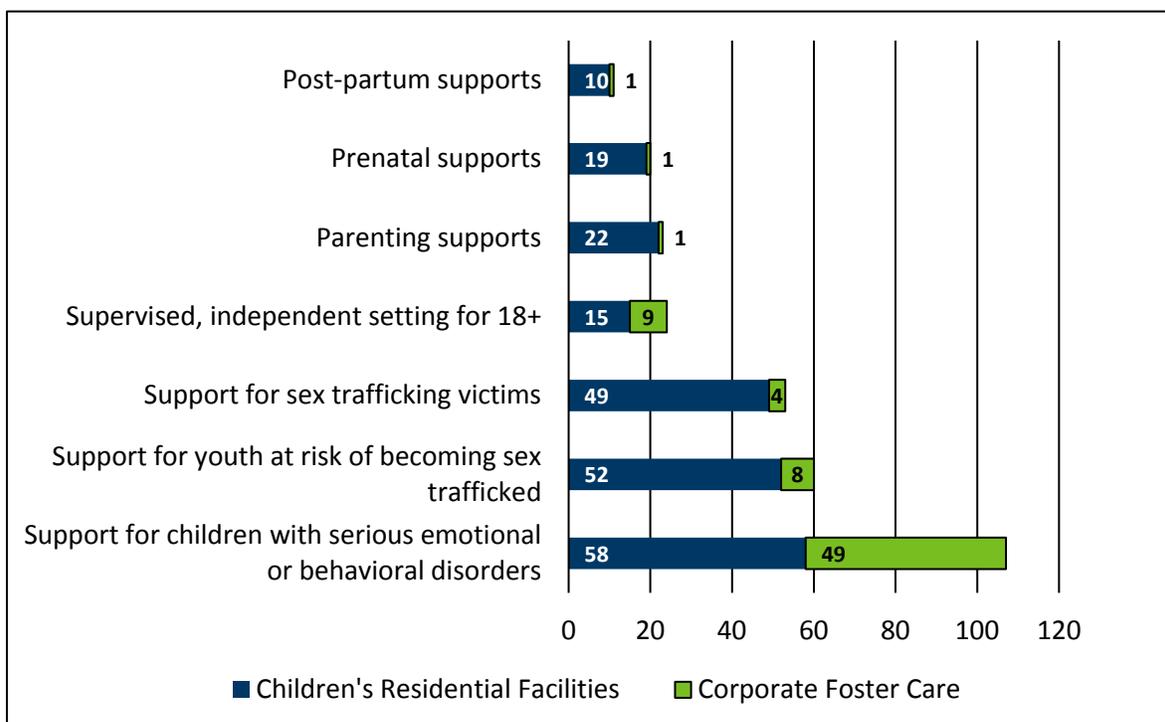
Residential settings eligible for federal reimbursement under FFPSA

Residential settings that provide services for children and youth in care who meet specific requirements as defined in FFPSA may continue to be eligible for Title IV-E funding. These include services for children and youth in placements that provide:

- Prenatal, postpartum, or parenting supports
- A supervised setting for youth 18 or older
- High-quality residential and supportive services for youth who have been victims of sex trafficking or are at risk of becoming sex trafficking victims
- A “Qualified Residential Treatment Program” that addresses the needs of children with serious emotional or behavioral disorders or disturbances (there are several additional requirements for this type of setting)

Figure 1 shows the number of children’s residential facilities and corporate foster care homes that report currently providing these services in congregate care settings. Depending on forthcoming guidance from the United States Department of Health and Human Services, they may continue to be eligible for federal Title IV-E funding. The largest category is support for children with serious emotional or behavioral disorders (107 facilities), followed by supports for sex trafficking victims (53 facilities) and those at risk of becoming victims (60 facilities).

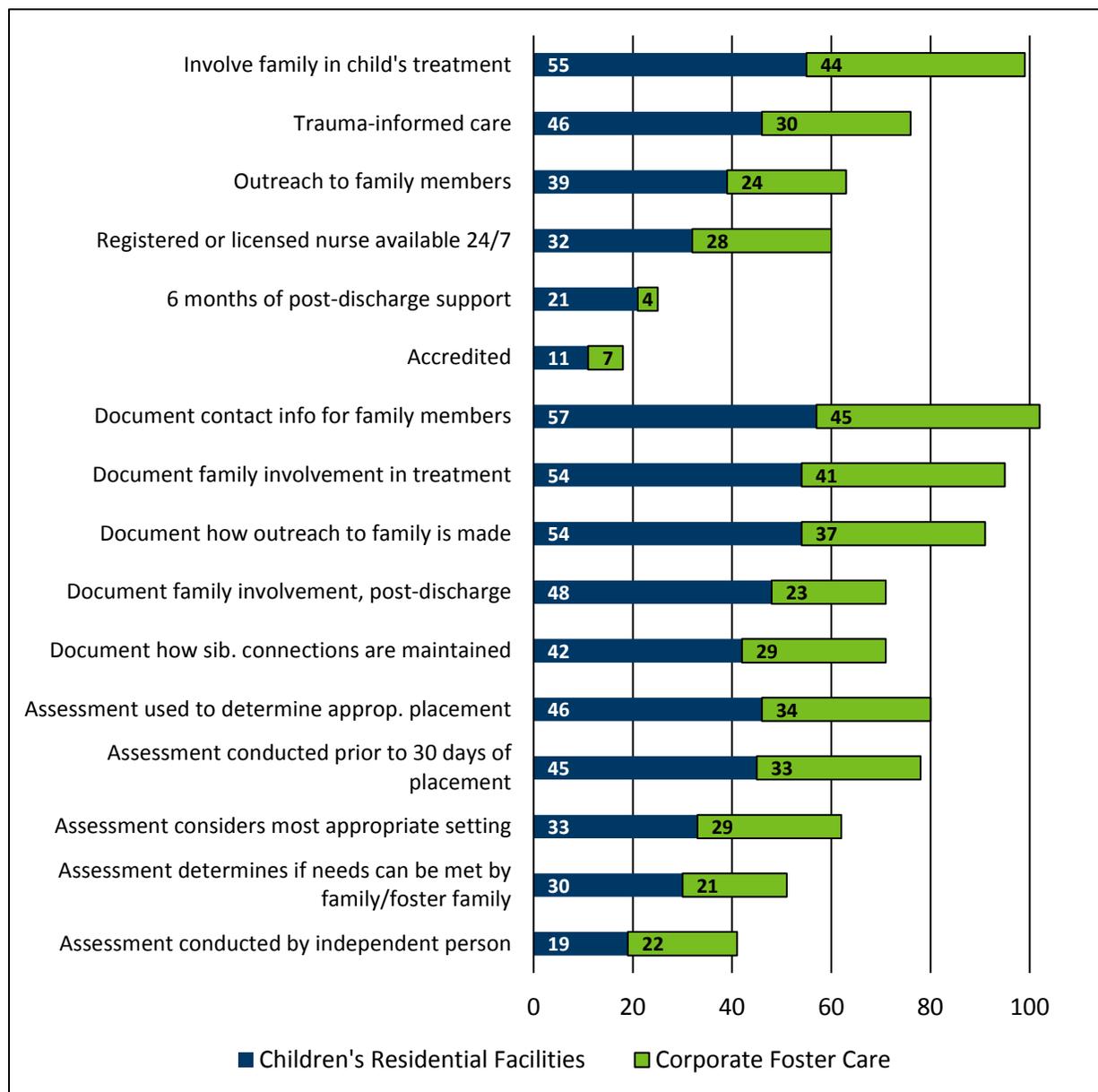
Figure 1: Number of facilities that report providing each service



Qualified Residential Treatment Program requirements

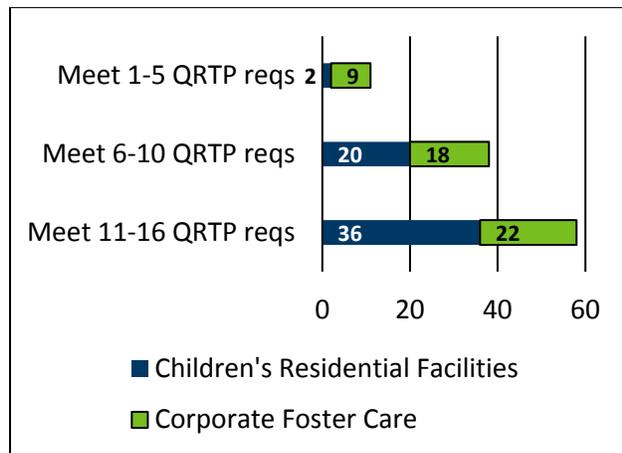
FFPSA creates a new category of residential facilities called “Qualified Residential Treatment Programs” (QRTPs). QRTPs are facilities that address the needs of children with serious emotional or behavioral disorders or disturbances. Respondents indicated that 107 facilities in Minnesota offered this type of support. FFPSA outlines a number of additional requirements for federal reimbursement related to staffing, accreditation, assessments, family member involvement, post-discharge support for at least six months, and others, though the exact requirements and process to be designated a QRTP are still unknown. The survey asked providers about 16 of these requirements, and their responses are shown in Figure 2.

Figure 2: Number of facilities that report meeting QRTP requirements



Of the 107 facilities that offer services for children with serious emotional or behavioral disorders, only 19 percent of children’s residential facilities and 14 percent of corporate foster care homes are accredited by one of the three approved organizations,³ a process that can take more than a year. In addition, few provide six months of post-discharge support (36% of children’s residential facilities and 8% of corporate foster care homes). These areas may be opportunities for support when Minnesota begins implementing FFPSA and programs begin the process of becoming designated as QRTPs.

Figure 3: Summary of facilities that report meeting QRTP requirements



We created a summary index to show how far along each facility is in meeting the 16 QRTP requirements listed in Figure 2. A facility received one point for meeting each requirement, for a total of up to 16 points. Figure 3 shows that the majority of facilities reported meeting at least six of the requirements, and 62 percent of children’s residential facilities and 45 percent of corporate foster care homes met between 11 and 16 of them.

A limitation of the survey is that all of the information is based on self-reports from staff at the facilities. There are likely differing interpretations on some of the requirements (such as what it means to involve family members in a child’s treatment). Standardized definitions and an independent review would be necessary to determine if the facilities meet the QRTP requirements for the purposes of receiving federal reimbursement.

Provider willingness to change to meet QRTP requirements

We asked respondents who reported that they did not currently meet some of the QRTP requirements if they would consider making changes in order to access new federal funding or maintain existing federal funding. Figures 4 and 5 show that both children’s residential facilities and corporate foster care homes expressed willingness to meet many of the requirements. Becoming accredited and providing support for at least six months post-discharge are the most common changes to make, but they also had the largest number of facilities reporting they would not be willing to make those changes. A few respondents indicated that the cost of accreditation was prohibitive, and that they would need to make changes to staffing to become accredited. They also reported a lack of capacity to provide post-discharge services for six months. Although many are willing to make changes, residential facilities will likely need support in doing so.

³ Approved accreditation organizations include the Commission on Accreditation of Rehabilitation Facilities, the Joint Commission on Accreditation of Healthcare Organizations, and the Council on Accreditation.

Figure 4: Number of children’s residential facilities willing to make changes

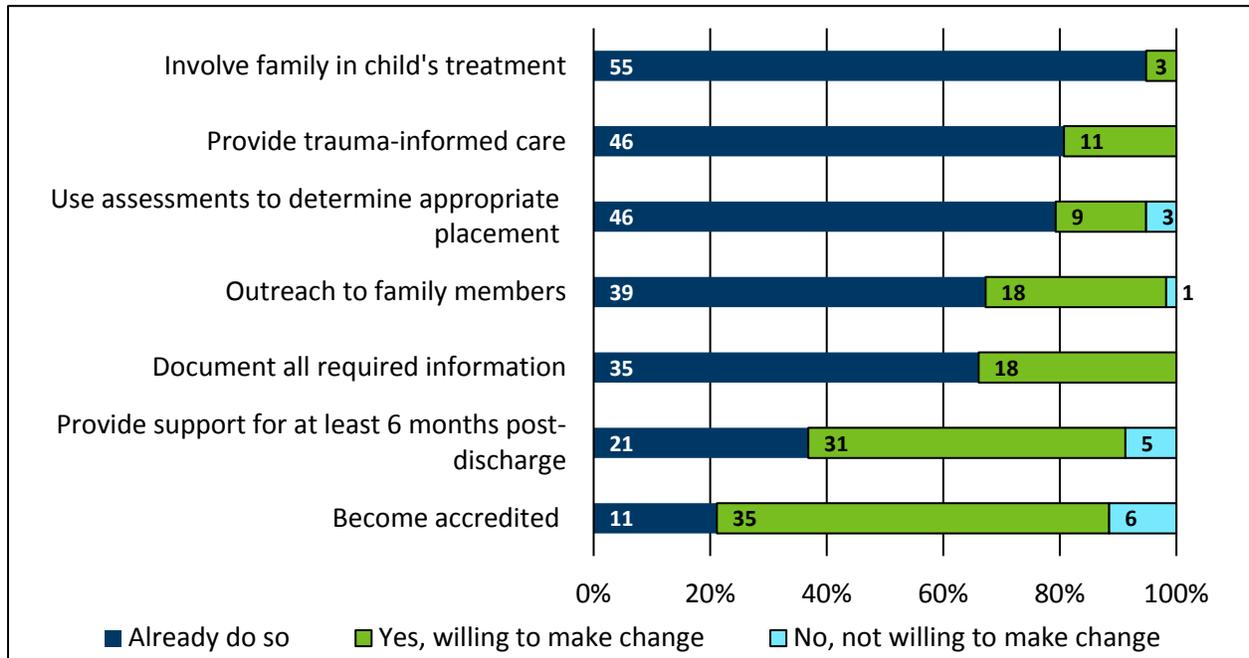
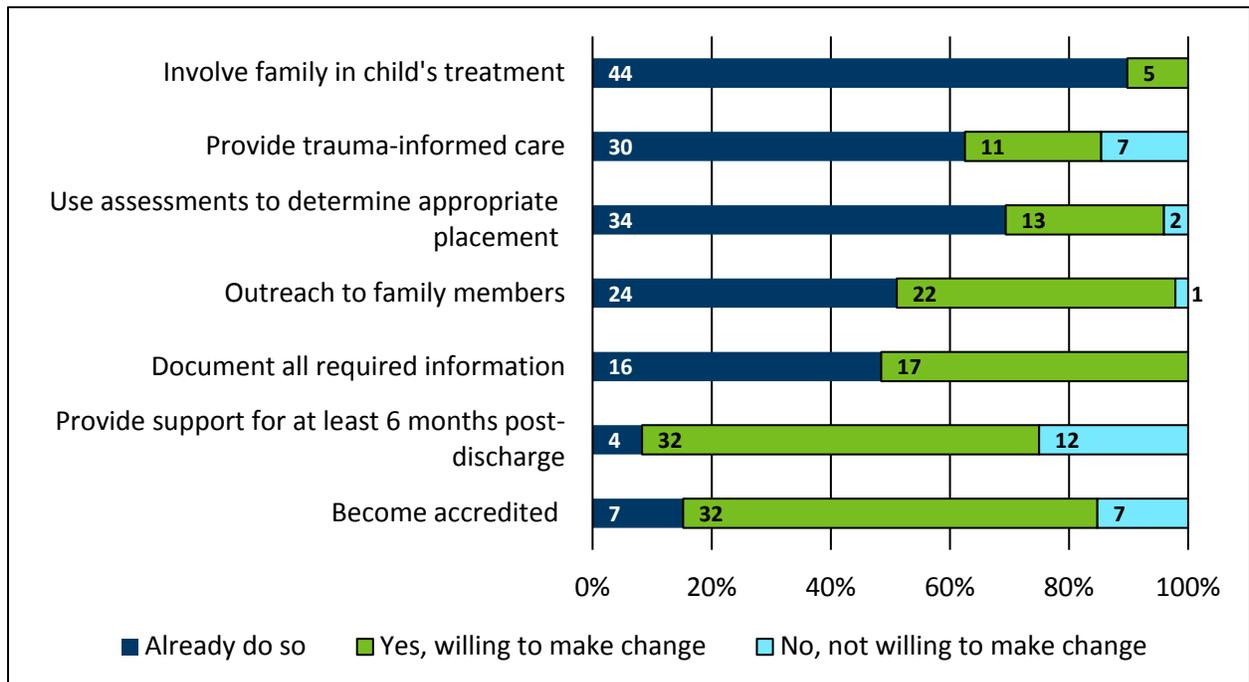


Figure 5: Number of corporate foster care homes willing to make changes



Methods

We invited the authorized agents of children’s residential facilities and corporate foster care homes to respond to an online survey. These two types of settings were selected because they could potentially meet the requirements for being designated as QRTPs in the future. The sample included 78 authorized agents of children’s residential facilities licensed by the Minnesota Department of Human Services and/or the Minnesota Department of Corrections (excluding detention and secure settings) and 73 authorized agents of corporate foster care homes. In total, these individuals oversee 273 facilities (some oversee multiple facilities). The survey was open in February and March of 2019. Respondents provided information for 136 facilities (69 children’s residential facilities and 67 corporate foster care homes), for an overall response rate of 50 percent.

For more information about the survey or analysis, contact ResultsFirstMN@state.mn.us.