STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • *www.cdss.ca.gov*

JOHN A. WAGNER
DIRECTOR

ARNOLD SCHWARZENEGGER
GOVERNOR

July 21, 2010

Ms. Lisa Parrish, Deputy Director
Los Angeles County Department
of Children and Family Services
425 Shatto Place, Suite 602
Los Angeles, CA 90020

Dear Ms. Parrish:

SUBJECT: AUTHORIZATION OF THE RESIDENTIALLY BASED SERVICES (RBS) REFORM PROJECT IN LOS ANGELES COUNTY

Pursuant to Welfare and Institutions Code (W&IC) Section 18987.7 et al (Chapter 466, Statutes of 2007, Assembly Bill 1453), this letter grants approval from the California Department of Social Services (CDSS) to Los Angeles County to pursue a pilot demonstration of RBS Reform. In approving this pilot, the determination has been made that the design and operation of the RBS Reform Project for Los Angeles County, as described in the enclosed Memorandum of Understanding (MOU), will ensure the health and safety of the children and youth to be served and provides equitable services.

In order to operate this pilot, a waiver is hereby granted of CDSS regulations governing the group home rate setting process contained in Division 11, Manual of Policies and Procedures, Sections 11-402.1 through 11-402.4 and Section 11-402.9. This waiver and instructions provided in the enclosed MOU shall have force and effect only with respect to the Los Angeles County RBS Reform Project.

As permitted by W&IC Section 18987.72(d)(1), you may request approval of waivers, notwithstanding the requirements set forth in subdivision (c) of W&IC Section 16501, at any point during the demonstration period. In addition, W&IC Section 18987.72(4) permits amendments, modifications, and extensions to the agreement to be made, with the mutual consent of both parties and with approval from CDSS. The CDSS has authority to waive California child welfare law and regulations. Therefore, all federal rules and regulations will remain unchanged unless otherwise informed by the United States Department of Health and Human Services.

For purposes of operating the RBS Reform Project in Los Angeles County, please reference the RBS Pilot Rate Notification Letter for specific information on the RBS provider program number, rates, audit provisions, and conditions for rate termination.

All licensed providers participating in the RBS Reform Project shall implement and comply with all state laws, regulations, and policy pertaining to the license of group homes pursuant to Division 6, Chapter 1 and 5 of the California Code of Regulations, Title 22 and must request a waiver or exception from the CDSS Community Care Licensing Division prior to implementing any variation.

Additional information regarding the RBS Reform Project will be provided through RBS letters and other letters of instruction issued by CDSS that will contain pertinent information and instructions on the policies and procedures of the project. RBS letters may be viewed on CDSS' website at: http://www.childsworld.ca.gov/PG2119.htm.

The RBS Reform Project offers an extraordinary opportunity to test alternative program designs and funding models that can inform state policy makers as they determine the future direction of foster care services. Your willingness to operate this pilot and to participate in its full evaluation is essential to ensuring that credible and informative data is available from which conclusions may be drawn. The CDSS would like to remind you that under the terms of the MOU, after 18 months of the completed project, CDSS will be conducting a review of the children's progress. In order to ensure that the costs of implementing the RBS Reform Project for Los Angeles County stay within the parameters of your Funding Model, CDSS will be reviewing whether or not children are moving through the residential component in the timeframes contained in your program design and then a decision can be made if the project should be continued.

Thank you for your commitment to improving the delivery of foster care services to vulnerable children and youth. The CDSS looks forward to working with you, your staff, and other project partners on this exciting pilot demonstration project. In the course of the project, should you encounter any problems or barriers, please bring them to CDSS' attention immediately. In the meantime, should you have any questions, please contact Greg Rose, Deputy Director of the Children and Family Services Division, at (916) 657-2614 or have your staff contact Karen Gunderson, Chief of the Child and Youth Permanency Branch, at (916) 651-7464.

Sincerely,

JOHN A. WAGNER
Director

Enclosure

Bcc: Greg Rose, CFSD
Fran Mueller, Admin
Karen Gunderson, CYPB
Barbara Eaton, FCARB
Kären Cagle, ERSB
Didi Okamoto, FSAB
Sue Diedrich, Legal
Sergio Ramirez, CCL

MEMORANDUM OF UNDERSTANDING

between

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

and

COUNTY OF LOS ANGELES

This Memorandum of Understanding, hereinafter referred to as Agreement, is entered into by and between the California Department of Social Services, hereinafter referred to as the state, and the County of Los Angeles, hereinafter referred to as the county, for the purpose of implementing a pilot demonstration under the Residentially Based Services (RBS) Reform Project.

A. BACKGROUND

The RBS Reform Project is established pursuant to Assembly Bill (AB) 1453, Chapter 12.87 (commencing with Section 18987.7) Part 6 of Division 9 of the Welfare and Institutions Code (W&IC), relating to foster care. This legislation allows for a pilot demonstration project aimed at transforming the current system of group care, currently providing long-term congregate care and treatment, to RBS programs, which combine short-term residential stabilization and treatment with follow along community-based services to reconnect youth to their families, schools and communities.

B. PURPOSE

The purpose of this Agreement is to:

1. Make available to the county, the state share of Aid to Families with Dependent Children – Foster Care (AFDC-FC) funds, in order to allow the county to provide RBS program alternatives;

2. Enable the county to access all possible sources of federal funds for the purpose of developing RBS program alternatives;

3. Specify mechanisms/procedures to be used for tracking, claiming, reporting, and evaluating the number of children served, and the amount of funds requested for reimbursement; and

4. Specify the roles and responsibilities of all parties.

C. TERM

The term of this Agreement shall be from July 15, 2010 through June 30, 2012 and may be extended upon written mutual consent of both parties.

D. DEFINITIONS

For purposes of this Agreement:

1. "Residentially Based Services" means behavioral or therapeutic interventions delivered in nondetention group care settings in which multiple children or youth live in the same housing unit and receive care and supervision from paid staff. Residentially Based Services are most effectively used as intensive, short-term interventions when children have unmet needs that create conditions that render them or those around them unsafe, or that prevent the effective delivery of needed services and supports provided in the children's own homes or in other family settings, such as with a relative, guardian, foster family, or adoptive family. Residentially Based Services shall include the following interventions and services:

    a. Environmental interventions that establish a safe, stable, and structured living situation in which children or youth can receive the comfort, attention, structure, and guidance needed to help them reduce the intensity of conditions that led to their placement in the program, so that their caregivers can identify and address the factors creating those conditions.

    b. Intensive treatment interventions that facilitate the rapid movement of children or youth toward connection or reconnection with appropriate and natural home, school, and community ecologies, by helping them and their families find ways to mitigate the conditions that led to their placement in the program with positive and productive alternatives.

    c. Parallel, predischarge, community-based interventions that help family members and other people in the social ecologies that children and youth will be joining or rejoining, to prepare for connection or reconnection. These preparations should be initiated upon placement and proceed apace with the environmental interventions being provided within the residential setting.

d. Followup postdischarge support and services, consistent with the child's case plan, provided as needed after children or youth have exited the residential component and returned to their own family or to another family living situation, in order to ensure the stability and success of the connection or reconnection with home, school, and community.

2. "Voluntary Agreement" means an agreement entered into by the county and RBS provider(s) and shall satisfy the following requirements:

a. Incorporate and address all of the components and elements for RBS described in the "Framework for a New System for Residentially Based Services in California".

b. Reflect active collaboration among the RBS provider(s) operating RBS programs and county departments of social services, mental health, or juvenile justice, alcohol and drug programs, county offices of education, or other public entities, as appropriate, to ensure that children, youth, and families receive the services and support necessary to meet their needs.

c. Require a written evaluation report to be prepared annually and jointly by county and the RBS provider(s). The evaluation report shall include analyses of the factors set forth in W&IC Section 18987.72 (b) (3) which specify that the county shall send a copy of each annual evaluation report to the Director of the California Department of Social Services, hereinafter referred to as the Director, and the Director shall make these reports available to the Legislature upon request.

d. Provide that the failure to timely prepare a written evaluation as set forth in paragraph c) above may result in termination of this Agreement, resulting in the withdrawal from the RBS Reform Project and approval of related waivers.

e. Permit amendments, modifications, and extensions of the agreement to be made in writing, with the mutual written consent of both parties and with approval of the state, based on the evaluation described above, and on the experience and information acquired from the implementation and the ongoing operation of the program.

f. Be consistent with the county's system improvement plan developed pursuant to the California Child Welfare Outcomes and Accountability System.

The Voluntary Agreement is one of three deliverables developed by the county in conjunction with RBS provider(s) and submitted to the state for approval. The Voluntary Agreement includes all elements and components specified above and in W&IC Section 18987.72 (c)(1-5). See Attachment I, Exhibit 1 - Los Angeles RBS Voluntary Agreement and Attachment I, Exhibit 4 – Los Angeles RBS Addenda Received August 24, 2009.

3. "Funding Model" allows the Director to approve the use of up to a total of five alternative funding models for determining the method and level of payments that will be made under the AFDC-FC program to RBS provider(s) operating RBS programs in lieu of using the rate classification levels and schedule of standard rates provided for in W&IC Section 11462. These funding models may include, but shall not be limited to, the use of cost reimbursement, case rates, per diem or monthly rates, or a combination thereof. A funding model shall do all of the following:

   a. Support the values and goals for RBS, including active child and family involvement, permanence, collaborative decision-making, and outcome measurement.

   b. Ensure that quality care and effective services are delivered to appropriate children or youth at a reasonable cost to the public.

   c. Ensure that payment levels are sufficient to permit the RBS provider(s) operating RBS programs to provide care and supervision, social work activities, parallel predischarge support and services for children and their families, including the cost of hiring and retaining qualified staff.

   d. Facilitate compliance with state requirements and the attainment of federal and state performance objectives.

   e. Control overall program costs by providing incentives for the RBS provider(s) to use the most cost-effective approaches for achieving positive outcomes for the children or youth and their families.

   f. Facilitate the ability of the RBS provider(s) to access other available public sources of funding and services to meet the needs of the children or youth placed in their RBS programs, and the needs of their families.

   g. Enable the combination of various funding streams necessary to meet the full range of services needed by foster children or youth in RBS programs, with particular reference to funding for mental health treatment services through the Medi-Cal Early and Periodic Screening, Diagnosis, and Treatment program.

h. Maximize federal financial participation, and mitigate the loss of federal funds, while ensuring the effective delivery of services to children or youth and families, and the achievement of positive outcomes.

i. Provide for effective administrative oversight and enforcement mechanisms in order to ensure programmatic and fiscal accountability.

The Funding Model is one of three deliverables developed by the county in conjunction with RBS provider(s) and submitted to the state for approval. The Funding Model includes all elements and components specified above and in W&IC Section 18987.72 (d)(2)(A-I). See Attachment I, Exhibit 2 – Los Angeles RBS Funding Model; Exhibit 2a – Los Angeles RBS Rate Methodology Received January 19, 2010; Exhibit 4 – Los Angeles RBS Addenda Received August 24, 2009; Exhibit 5 – Los Angeles RBS Addenda Received November 12, 2009; Exhibit 6 – Los Angeles RBS Funding Model; Exhibit 7 – Los Angeles RBS Addenda Received February 3, 2010; Exhibit 8 – Los Angeles RBS Funding Model.

4. "Waiver Request" is developed by the counties and RBS provider(s) to waive child welfare regulations regarding the role of counties in conjunction with RBS provider(s) operating RBS programs to enhance the development and implementation of case plans and the delivery of services in order to enable a county and RBS provider(s) to implement the program description described in the Voluntary Agreement. The Waiver Request is one of three deliverables developed by the county in conjunction with RBS provider(s) and submitted to the state for approval. The Waiver Request must address all components as specified above and in W&IC Section 18987.72 (d)(1). See Attachment I, Exhibit 3 – Los Angeles RBS Waiver Request.

E. COUNTY RESPONSIBILITIES

The county:

1. Shall provide children with the services indentified as part of their RBS program and outlined in their state approved Voluntary Agreement.

2. Shall follow the state approved Los Angeles RBS Plan, as prescribed in Attachment I, Exhibits 1, 2, 2a, 3, 4, 5, 6, 7 and 8 for the RBS Reform Project. These approved deliverables will address the system, process, and financing capacities identified in providing RBS program services.

3. Shall monitor the RBS Reform Project provided in accordance with the above RBS deliverables.

4. Agrees to comply with all language of AB 1453 Sections 18987.7, et seq.

5. Shall allow state access to statistics, records, and other documents required to carry out its responsibilities.

   a. Shall ensure that the evaluation of the RBS Reform Project is conducted in accordance to 18987.72(c)(3).

   b. Agrees to maintain all documentation necessary to track expenditures for the children participating in the RBS Reform Project.

   c. Agrees to submit an annual report to the state in accordance with 18989.72(c)(3).

   d. Agrees to the termination of this Agreement, and the withdrawal from the RBS Reform Project and waivers, if the state finds that the county failed to fully and timely perform the activities described in subparagraphs a, b, and c of paragraph 5.

   e. Agrees to maintain all records associated with RBS, and cause to be maintained by any contracted RBS provider all records, including financial, case documentation and other support for all costs claimed for RBS for a period not less than three years from the last claim submitted for RBS. Any record related to litigation or any federal or state audit, exception(s), disallowance(s) or deferral(s) shall be retained until notified by the state.

   f. Agrees to track in a manner prescribed by the state all payments to RBS provider(s), regardless of fund source and maintain total costs to RBS provider(s) for the purposes of reporting.

6. Agrees to participate in any state RBS Reform Project meetings and site visits conducted by the state or its designee.

7. Shall implement a project in a manner that will ensure that any services being provided to a child or family member at the time the RBS Reform Project ends will be completed and/or case plans for children and their families are adjusted, if necessary, for the post-demonstration project period.

8. Prior to entering into the agreement with the provider(s), the county shall verify that the provider(s), their principals or affiliates or any sub-providers used under this agreement are not debarred or suspended from federal

financial assistance programs and activities nor proposed for debarment, declared ineligible, or voluntarily excluded from participation in covered transactions by any federal department or agency, per Executive Order 12549, Debarment and Suspension.

F. STATE RESPONSIBILITIES

The state:

1. Will, at the request of the county submitted in the form of the Waiver Request deliverable, consider a state waiver of specific regulations under the waiver authority granted in W&IC Section 18987.7. In addition, technical assistance will be provided to the county to identify opportunities within existing law and regulation used to implement the RBS Reform Project and where appropriate and feasible, pursue other waiver authority to remove barriers to implementation.

2. Shall process RBS Invoice Quarterly Claims for reimbursement in a timely manner.

3. Shall report during the legislative budget hearings the status of any county agreements entered into the RBS Reform Project and the development of statewide RBS programs.

G. JOINT RESPONSIBILITIES

1. Both parties agree to establish mutually satisfactory methods for the exchange of information, as may be necessary, in order that each party may perform its duties, functions, and appropriate procedures under this Agreement.

2. Both parties agree to comply with the provisions of W&IC Section 10850 and W&IC Sections 827, 827.1, and 830 to ensure that all information concerning children and families in RBS shall be kept confidential in accordance with federal and state laws and policies.

3. Both parties agree to comply with all elements and components of the state approved RBS deliverables. Any amendments, modifications, and extensions of the deliverables are to be made in writing, with the mutual consent of all parties and with approval of the state.

H. FISCAL PROVISIONS

1. Both the state and county understand that there are no new or additional sources of funds provided for the RBS Reform Project. For the purposes of ensuring there are no increased costs to the General Fund, if the state determines that additional upfront costs for this project are necessary, these upfront costs must

be offset by other program savings identified by the state to ensure that there are no net General Fund costs in each fiscal year associated with this project.

2. The county shall pay the reimbursement rates to the RBS provider(s) as prescribed in the Los Angeles RBS Plan. See Attachment I, Exhibits 2, 2a, 4, 5, 6, 7 and 8. Reimbursement rates for the county shall be paid as prescribed in the Los Angeles RBS Plan. See Attachment I, Exhibits 2, 2a, 4, 5, 6, 7 and 8. The Title IV-E allowable portion of these rates may be modified by the state to ensure conformity with federal requirements and to maximize federal financial participation.

3. The state shall reimburse the county, for the purpose of providing RBS program services up to 100 percent of the state share of non-federal funds, to be matched by the county's share of cost as established by law, and to the extent permitted by federal law, up to 100 percent of the federal funds allocated for group home placements of eligible children at the authorized rate. The federal funds reimbursement rate will be based on the applicable federal medical assistance percentage (FMAP) rate during the RBS Project period.

4. The county shall claim reimbursement of costs quarterly for federally eligible and non-federally eligible children on the RBS Invoice Quarterly Claims – RBS FC (Fed and Non Fed) - Summary Report of Assistance Expenditures, RBS FC 1 (Fed, Non Fed, and SB 163 Fed) - Foster Care Facility Report, and RBS CERT - Expenditure Certification for RBS Assistance Claim Expenditures. RBS Invoice Quarterly Claims shall be submitted thirty (30) calendar days after the end of the claiming quarter. The county shall submit the required RBS Fiscal Tracking Sheets to the state using the same quarterly schedule.

5. Contingent upon the county's timely submission of required state fiscal reports, the state may issue a monthly advance payment to the county based on county need and spending trends. If the state issues an advance payment, it will do so by the last business day of the month the advance is for.

6. All AFDC-FC expenditures associated with RBS claiming shall be subject to audit to ensure federal funds have been appropriately claimed.

7. The RBS Reform Project shall be subject to review under the county's single audit.

8. The state foster care funds and, to the extent permitted by federal law, federal foster care funds shall remain within the administrative authority of the county welfare department, which may enter into an interagency agreement to transfer those funds, and shall be used to provide RBS program services. Expenditures of excess funds shall be consistent with

federal and state law. The county shall submit to the state copies of all contracts for RBS services entered into with the RBS providers. Nothing contained in this Agreement or otherwise shall create any contractual relationship between the state and any county providers or their sub-providers, and no providers or their sub-providers shall relieve the county of its responsibilities and obligations hereunder. The county agrees to be fully responsible to the state for the acts and omissions of its providers, sub-providers, and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the county. The county's obligation to pay providers and sub-providers is an independent obligation from the obligation of the state to make payments to the county. As a result, the state shall have no obligation to pay or to enforce the payment of any monies to any provider or sub-provider.

9. Any federal or state audit exception(s), disallowance(s), or deferral(s) resulting from a federal or state review or audit of two or more participating counties' RBS programs shall be based on the individual county's percentage of total costs claimed during the time period in question. In the event that any federal or state audit exception(s), disallowance(s), or deferral(s) are taken against an individual county, the county is not liable for any audit exception(s), disallowance(s), or deferral(s) resulting from a federal or state review or audit of any other county's RBS program; or any liability, claims or costs resulting from any other county's implementation of any duty owed the state.

10. In the event a federal or state review or audit results in an exception, disallowance, or deferral, the state and county shall participate in the repayment of the state's portion pursuant to W&IC Section 15200. In no case shall the state assume financial liability for the county share of federal or state review or audit exception(s), disallowance(s), or deferral(s).

    a. In the event an audit finding determines a cost to be allowable but not eligible for federal funding the county shall repay the ineligible federal portion and the state shall participate in the repayment of the state's portion pursuant to W&IC Section 15200.

    b. In the event an audit finding determines a cost is not allowable for claiming, the county shall be responsible for refunding the federal and state share.

11. The County Auditor-Controller shall conduct an audit of the fiscal operation of the RBS program no sooner than twelve (12) months and no later than twenty-four (24) months after the program begins. These audits shall be conducted using the applicable standards in accordance with state and county regulations and guidelines, including federal Office of

Management and Budgets Circular A-122, Cost Principles.

12. If the state determines, based on an audit, that an RBS provider has misused Title IV-E funds, as defined in the Manual of Policies and Procedures (MPP) 11-400(m)(6), the county shall collect from the RBS provider an amount equal to the total amount of misused funds.

13. All RBS providers shall submit a Financial Audit Report (FAR) to the state in accordance with the W&IC Section 11466.21. The FAR submitted by the RBS provider(s) shall separately identify all revenues and expenditures attributable to the RBS program. Failure to submit a FAR in accordance with law will result in termination of the RBS rate.

14. The county shall ensure that each RBS provider participating in the operations of the RBS Reform Project shall conduct time studies of activities performed by the RBS provider staff in a manner prescribed by the state.

I. GENERAL PROVISIONS

1. This Agreement may be amended only by written agreement of both parties.

2. Any change in the Title IV-E Capped Allocation Waiver Demonstration Project waiver status shall authorize either party to reopen negotiations of the terms and conditions for participation in the RBS Reform Project.

3. This Agreement is subject to any additional restriction, limitations, or conditions enacted by the state Legislature that may affect the provisions, terms or funding of the RBS Reform Project. This Agreement shall be modified as necessary due to changes in state or federal law that impact its provisions.

4. The Los Angeles County Board of Supervisors hereby delegates to the Director or their designee of the Los Angeles County Department of Children and Family Services the authority to enter into such written amendments with the state on behalf of the county.

5. The state's signing of this MOU does not constitute a waiver of state laws or regulations, other than as specifically described in the Waiver Request Form (Attachment 1, Exhibit 3) or the MOU, pages one (1) through eight (8).

J. TERMINATION

1. Either party shall have the right to terminate this Agreement for cause upon sixty (60) calendar days prior written notice to the other party.

2. The county may elect to terminate their participation in the RBS Reform Project subject to the following provisions:

   a. The county must consult with the state prior to exercising the opt-out election to terminate their participation in the RBS Reform Project and must provide written notification to the state of the county election to opt-out.

   b. The state must be in receipt of the written notification of the county opt-out election sixty (60) calendar days prior to the first day of the month in which the county intends to terminate its participation in the RBS Reform Project.

   c. The county must be able to implement a phase-down strategy to ensure that case plans for children and their families are adjusted, if necessary, for the post-RBS Reform Project period.

3. The state may terminate this Agreement in any of the following circumstances:

   a. If the county fails to comply with Section E.

   b. If the state determines, based on its review of the county's RBS program conducted no sooner than 18 months after the first child is enrolled, that the county is not achieving timely movement from RBS group residential care facilities into lower levels of care or exits from foster care to permanent families with associated savings. In this event, the state shall provide 60 days advance notice of termination to the county.

   c. If the state determines that pursuant to Section H (1) upfront costs for this project are necessary but funds are not available.

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

By: _____
JOHN A. WAGNER, Director

Date: 7-20-10

COUNTY OF LOS ANGELES

By: _____
Chair, County Board of Supervisors

Date: JUL 06 2010

ATTEST: SACHI A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS
By LaChelle Smitherman, Deputy

The RBS Reform Coalition
RECONNECTING CHILDREN, FAMILIES AND COMMUNITIES

Residential Based Services Reform Project

Deliverable Template – VOLUNTARY AGREEMENT

Introduction: AB 1453 directs the counties and providers in each demonstration site who are cooperating to develop an RBS alternative to traditional group home care to describe their new program model in a document called the "Voluntary Agreement."

The California Department of Social Services is instructed to review each site's Voluntary Agreement according to criteria set out in the statute. If the proposal meets those criteria, the statute enables the director of CDSS to waive child welfare regulations regarding the role of counties in conjunction with private non-profit agencies operating residentially based services programs to enhance the development and implementation of care plans and the delivery of services as described in the Voluntary Agreement.

The AB 1453 statute states that Voluntary Agreements shall satisfy the following requirements:

1. Incorporate and address all of the components and elements for residentially based services described in the "Framework for a New System for Residentially Based Services in California."
2. Reflect active collaboration among the private non-profit agency that will operate the residentially based services program and county departments of social services, mental health or juvenile justice, alcohol and drug programs, county offices of education, or other public entities as appropriate, to ensure that children, youth and families receive the services and support necessary to meet their needs.
3. Provide for an annual evaluation report, to be prepared jointly by the county and the private nonprofit agency. The evaluation report shall include analyses of the outcomes for children and youth, including the achievement of permanency, average lengths of stay, and rates of reentry into group care. The evaluation report shall also include analyses of the involvement of children or youth and their families, client satisfaction, the use of the program by the county, the operation of the program by the private nonprofit agency, payments made to the private nonprofit agency by the county, actual costs incurred by the nonprofit agency for the operation of the program, and the impact of the program on state and county AFDC-FC program costs. The county shall send a copy of each annual evaluation report to the director, and the director shall make these reports available to the Legislature upon request.
4. Permit amendments, modifications and extensions of the agreement to be made, with the mutual consent of both parties and with approval of the department, based on the evaluations described in paragraph 3, and on the experience and information acquired from the implementation and the ongoing operation of the program.
5. Be consistent with the county's system improvement plan developed pursuant to the California Child Welfare Outcomes and Accountability System.

Residentially Based Services Reform Project
Voluntary Agreement
Los Angeles County Official Submission

The 'Framework for a New System of Residentially-Based Services in California' defines the 4 services elements of RBS, identifies the role of the placing agency and the provider agency, establishes criteria for placement, defines the qualities necessary for programs to deliver residentially-based services and the elements of the services themselves, defines the outcome criteria that programs should be designed to achieve, and sets out a model for implementing the Framework.

Functionally, the Voluntary Agreement constitutes a memorandum of understanding among the public and private agencies who are working together to transform group home care in a given demonstration site that describes the structure and operation of the system they have designed and reflects their commitment to make that system a reality, should approval be granted by CDSS.

The purpose of this template is to provide a consistent format for these agreements that includes each of the provisions required by the statute. This version of the template is based upon a preliminary draft that each site completed and incorporates the questions from that draft, plus the questions from a second preliminary template, the Program Description, and also addresses some of the more detailed elements from the Framework that were omitted from the initial version that can now be completed because each site's program design is more fully developed.
The Voluntary Agreement and the Alternative Funding Model Templates are companion documents, and share some inquiries in common, such as the description of the services to be offered. This may require some duplication of answers in the two documents.

Instructions
When answering the questions in the Voluntary Agreement, please be as descriptive as possible and provide all necessary information, attachments, flow charts, diagrams, etc.

If your Voluntary Agreement includes multiple Provider Agencies, please be sure to clearly answer each element of the question for each Provider involved in RBS.

Revisions: The following information will serve as a guide in helping you identify the changes that were made to the Voluntary Agreement Deliverable Template:

Blue Font –the blue font represents new questions &/or sections that have been added to the template.

(Items in Parenthesis) –the items in parenthesis provide a reference back to the specific question in the preliminary Program Description and Voluntary Agreement templates.

Signatory Page – A signatory page was added to the end of the Voluntary Agreement and should be signed by a representative from the county social service agency, mental health agency and the private non-profit agencies.

Reference Material: Please be sure to reference the AB 1453 enacted legislation, and the 'Framework for a New System of Residentially-Based Services in California'.

Residentially Based Services Reform Project
Voluntary Agreement
Los Angeles County Official Submission

Demo Site:	Los Angeles	Date:	06/03/09
Prepared by:	Michael Rauso Khush Cooper	Title/ Organization:	DCFS Holarchy Consulting
E-mail:	rausom@dcfs.lacounty.gov kcooper@holarchyconsulting.com	Phone:	(213) 738-2731 (323) 829-3547

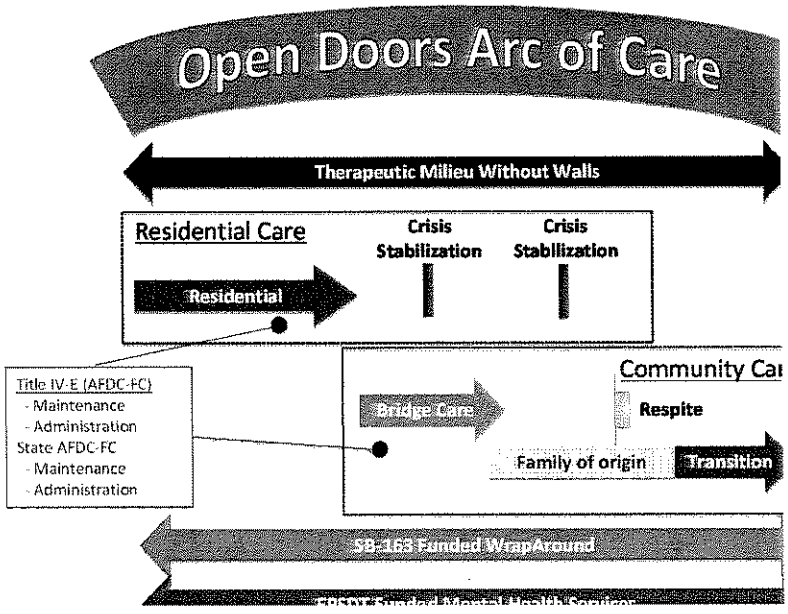
1. **EXECUTIVE SUMMARY (*Previously Question 2 of Program Description)* – In 1 page, summarize the alternative program and funding model you are proposing. Include a comparison between the specific service and funding model innovations in your RBS program and the services and funding that is currently in place. Please use Attachment A to list the active participation between all parties in the development of the RBS program.**

The goal of Los Angeles County's RBS Demonstration Project, "Open Doors,"[1] is to shorten timeframes to durable permanency for children who face a residential stay in out of home care. By infusing residential care with Wraparound principles (active family voice and choice, facilitated planning process, care coordination), we will transform the traditional residential milieu into a therapeutic community without walls. This therapeutic milieu combines and transcends the residential facility and Wraparound to create a coherent, seamless arc of care. The intention is to streamline the treatment and stabilization process when a residential stay is triggered (including referral, enrollment and intensive treatment), to provide parallel community-based services, to provide family engagement, preparation and support, and achieve swift reconnection of high-needs youth back to their families and communities with follow-up support.

The Los Angeles Open Doors Project plans to serve approximately 160 children in a two-year period beginning approximately August 1, 2009. At the two-year mark, an evaluation will be done and, depending on the effectiveness of the model, the program will be either extended as is, continued with modifications, or discontinued with a plan to re-integrate the children and families back into a traditional group home model. Only Department of Children and Family Services (DCFS) youth will participate in the Open Doors Project. Probation and AB 3632 children managed by the Department of Mental Health (DMH) will not participate at this time. The following section contains a proposed Demonstration Project system graphic and highlights of the Los Angeles RBS model:

[1] Working title.

Residentially Based Services Reform Project
Voluntary Agreement
Los Angeles County Official Submission



The Current Experience with Residential Care and the Wraparound Program.
In July 2003, there were 2,339 Los Angeles foster youth in Rate Classification Level Group Home placements. Around this time, the MacClaren Children's Center emergency shelter had finally been closed. DCFS committed to a series of strategies designed to reduce the number of children in out of home care, especially those placed in group homes. By March 2009, there were 889 DCFS youth placed in these facilities, a stunning reduction of over 60 percent. During this time frame, the number of these youth placed in RCL 10 or higher classified programs rose from 80 percent to 90 percent. By 2009, two thirds of youth in group homes were in RCL 12 or 14 group home placements, reflecting DCFS' intention to stop using lower RCL placements based on the belief that most if not all the youth in them could and would do better in home based settings.

Youth enrolled in the Wraparound program have been experiencing higher rates of reunification than those in residential care, even though they have similar scores on the Child and Adolescent Functional Assessment Scale (CAFAS). There have been several prior attempts to apply some of the predominant technologies of Wraparound to the treatment of these residentially based youth and their families. These have included Family Finding, engagement, and support, centralized care coordination via child and family teams, and shared placement decision making with other county departments (e.g. the ResWrap pilot in 2004). Lessons learned from those efforts, namely the need for residential culture shift and concurrent transformation in funding methodologies, will be applied during the Open Doors Project. Currently, Wraparound funding mandates dictate that we deduct placement costs, including residential treatment, from the Wraparound rate. The Wraparound rate ceases to be paid to the Wraparound provider

and the group home rate is paid to the group home provider. Therefore, once a child and family team believes that group home placement is necessary for a child, care coordination is most likely suspended and the child and family are handed off to a group home. That group home's program and culture usually requires that its settings be the hub of treatment for the child, as opposed to the CFT and/or the community and family settings. The result is discontinuous care, longer time in group placement than necessary, and lower reunification rates as information gathering, assessment and family support work are replicated.

Establishing a Portable and Transferable Therapeutic Community. The cornerstone innovation contemplated in the Open Doors Project is to transform the traditional residential milieu into an open, portable and transferable therapeutic community. In our model, this open therapeutic community is managed by a multidisciplinary staff team, the Child and Family Team (CFT). The therapeutic milieu, although anchored initially in the residential facility, can be immediately and seamlessly exported by the CFT to the family and community settings with a focus on returning the child to family with intensive supports, including traditional Wraparound services, as quickly as it safe to do. In those settings, the same team maintains safety and treatment continuity by employing the same support approach as it would in the facility. The CFT essentially functions as vehicle for two-way transfer of learning by bringing the residential milieu to the family and community – a truly "family centered" approach. In this respect, we are going beyond "family friendliness" or "family inclusion" which only goes so far as to bring the family and community into the residential facility. This concept of a "milieu without walls" is established by having staff who can transfer the approaches, structured relationships, and perspectives of the therapeutic community established in the residential facility to the people who make up the family and community environments in which the youth will be living. The model has the ability to not only help a child stabilize his or her behaviors in the facility, but to transfer that new social support context to the family and community environments as soon as safely possible, so that the child and family can begin practicing skills acquisition in 'natural and familiar' as opposed to 'artificial and institutionalized' settings.

Alternative Funding Model. To achieve this portable and transferrable therapeutic community, Open Doors will establish a new 2-phase case rate for the arc of care, allowing the establishment of a Wraparound-like CFT and presuming that the CFT will provide services during and after the residential stay until the child and family have established a natural support network, been linked to ongoing community services and can graduate from Open Doors. In the Open Doors model, a child/family is enrolled in a treatment program spanning many types of settings and not just admitted to a placement. The arc of care is funded in the following way. The RBS providers will be paid a new RBS case rate of $10,194 (same across providers regardless of former RCL-classification[2]) which will fund up to ten months in residential care over a 22-month period, a Child and Family Team, concurrent family finding engagement, preparation and support, respite, crisis stabilization, and intensive parallel community-based

[2] Los Angeles will be submitting a request to replace the RCL-system with a transformed staffing and treatment model.

interventions including the development of connections. After ten months (not necessarily concurrent) have been used, the rate will convert to a lower rate (equal to the Tier 1 Wraparound case rate of $4,184) to incentivize providers to reconnect children with their families and communities and return them quickly to home based settings.

Waiving the RCL System. For the selected provider units, the RCL system will no longer apply so that all Open Doors beds (formerly RCL 12 or 14) represent a single level of care. Los Angeles County will be submitting a Waiver Request to that effect. The Waiver Request will reflect the transformed staffing and treatment model outlined in the Voluntary Agreement and the Funding Model.

2. PARTICIPANTS & ROLES

2.1 Participants (*Previously Question 1 of Program Description*): In the table below, please list the public and private non-profit agencies that will be involved in the operation of your program. For each participating agency or department identify a key contact person and their email address. If the private non-profit participants have not yet been selected, identify the process and timeline for selection.

Agency or Department	Contact Person Name & Title	Email Address
DCFS	Lisa Parrish Michael Rauso	parril@dcfs.lacounty.gov rausom@dcfs.lacounty.gov
DMH	Paul McIver Angela Shields	PMcIver@dmh.lacounty.gov ashields@dmh.lacounty.gov
Five Acres	Robert Ketch Regina Bette	rketch@5acres.org rbette@5acres.org
Hathaway-Sycamores	William Martone Debbie Manners	BillMartone@Hathaway-Sycamores.org DebbieManners@hathaway-sycamores.org
Hillsides	John Hitchcock Aaron Zaima	jhitchcock@hillsides.org azaima@hillsides.org
Process and timeline for selecting non-profit agency participants (if this has not already occurred). N/A – PROVIDERS SELECTED		

2.2 Role of the Placing Agency(ies)[3]: Describe the role of the Placing Agency(ies) in the operation of the RBS program.

Via the Wraparound Operations Group, the placing agencies (DCFS and DMH) will primarily be responsible for utilization management, utilization review, referral/enrollment, data aggregation, and contractual QA/QI. The Resource Management Process (RMP) provides the DCFS case worker, the child and his or her family with an open process, based on Los Angeles' Team Decision-Making (TDM) model, that provides a consistent, objective opportunity for the team to discuss the

[3] Reference 'Role of the Placing Agency' section of the 'Framework' document

strengths and needs of the youth and explore all possible ways of addressing those needs in the safest and least restrictive manner. The RMP incorporates the findings from the Child and Adolescent Needs and Strengths (CANS) tool , a dedicated Resources Utilization Management (RUM)[4] staff member to ensure the clinical, educational, and family background information is communicated in the meeting, and an Interagency Screening Committee (ISC) liaison that the decisions made in the RMP are implemented. Additionally, a qualified mental health professional from the Department of Mental Health (DMH) assists with completing the mental health portion of the CANS and assisting the CSW with mental health linkage after the RMP meeting. The RUM unit will also make every effort to ensure that a DCFS educational liaison is present at Open Doors RMPs to assist with the inquiries regarding the holder of educational rights and best interests of the child and family.

The RMP represents a major transformation in how DCFS utilizes intensive mental health services, including residential care, and in how families are engaged and viewed as ongoing experts regarding their situations. The RMP process for Open Doors is to be managed by the Multi-Agency Services Division (MASD), which is also responsible for Wraparound, so there will be consistent messaging and administrative support. The MASD will also provide ongoing support for the RBS providers and will act as a liaison between the providers, the Auditor Controller, CDSS, Community Care Licensing (CCL) and DCFS regional offices, as needed. The Wraparound Quality Improvement and Training Section, in conjunction with the ISCs[5] will track the enrollments, disenrollments and all other RBS and Wraparound data (such as client satisfaction) to demonstrate effectiveness and provide feedback to use as a management tool.

2.3 Role of the Provider Agency(ies)[6]: Describe the role of the Provider Agency(ies) in the operation of the RBS program.

Three provider agencies have been selected to form the nucleus of the Los Angeles County's RBS Demonstration Project:

- ***Five Acres*** will convert two 10-bed cottages on their residential campus at 760 West Mountain View Street, Altadena, CA 91001.
- ***Hathaway-Sycamores*** will convert one 17-bed unit on their residential campus at 2933 N. El Nido St., Altadena, CA 91001.

[4] The RUM Unit within DCFS is responsible for centralized placement-related troubleshooting, coordinating RMPs, doing the RBS enrollment CANS on each enrollee, and aggregating the CANS data throughout the demonstration. They are in the process of having "Open Doors" RBS beds added as a placement option to their customized CANS decision tree and creating a tracking system.

[5] The ISCs (Interagency Screening Committees) are specific to each of the eight service planning areas (SPA) in Los Angeles. ISC's have representatives from all three placing agencies, currently make non-RBS Wraparound provider assignments, to support the work of the Child and Family Teams, to ensure the confidentiality of the family, and also monitor Wraparound Plans of Care for timeliness, completeness, and Wraparound model fidelity. The ISCs will be enlisted to perform some of the monitoring functions for the RBS pilot, and will be included in the RBS acculturation process.

[6] Reference 'Role of the Provider Agency' section of the 'Framework' document

- ***Hillsides*** will convert two 10-bed cottages on their residential campus at 940 Avenue 64, Pasadena, CA 91105.

According to the Los Angeles RBS "meta-model", each provider will provide the following:

1) *Short-term stabilization, treatment and support* for children and youth at each site via a transformed residential milieu and parallel community services. Each provider will transform the traditional residential milieu into an open therapeutic community which facilitates a two-way transfer of services and planning between the facility and the community. Service delivery will be based on a well-articulated, customizable treatment approach and framed by an established evidence-based or "promising" practice as part of the milieu culture and treatment approach.[7]
2) *A Child and Family Team (CFT)* which will provide an integrated facilitated planning process, access to flexible funding, as well as continuity of care across each child's living situation throughout the period of enrollment pursuant to an individualized and unifying RBS plan of care written in the words of the family.
3) *Family work* including Family Finding (as needed), connection-building, engagement, preparation, and support as well as intensive community connections development for each child enrolled in the program.
4) *Respite and crisis stabilization.* As available, crisis stabilization options (up to 14 days and related to instances of danger to self and/or others, or significant decompensation) within RBS will include provider residential beds on the unit, FFA or ITFC homes within the RBS provider agencies, and/or converted spaces within the residential campuses which CCL has approved as crisis stabilization locations for the Demonstration Project. The provider consortium is in discussion regarding pooling these resources. Respite (proactive caregiver breaks) and transition-oriented trial home stays, up to 30 days, will be done in the family's community using flex funds and creative service delivery approaches.

Following is an explanation of how Los Angeles County's Open Doors model reflects the RBS Framework document's (March 2006) articulated RBS components:

- Environmental Interventions: A standardized assessment tool (the CANS) and the enhanced TDM process, called the RMP (Resource Management Process), will be used to refer youth to one of the three Open Doors providers, and will carry out appropriate matching considerations. Each Open Doors provider will transform an agreed upon number of units from traditional group care to the Open Doors model. Each unit will reserve one bed for crisis stabilization to be used when a child living in a community treatment setting needs a short stint of residential care so that initial conditions and unmet needs are re-addressed, interventions are reinforced and the current crisis does not impact long-term permanency. The redesign of the traditional residential milieu will include active family participation. The Open Doors facility will

[7] Five Acres and Hillsides are experts in using Aggression Replacement Training for many of their children and families and Hathaway-Sycamores has had success with the Chopitra approach and PBIS (Positive Behavioral Interventions and Supports).

essentially operate a "therapeutic community without walls" so that the treatment of the child is generated by one team hand-in-hand with the family and community stakeholders. Essentially, the facility, the CFT and the child/family's community now combine to create the therapeutic community. Furthermore, treatment interventions will now primarily occur in community settings with which a child/family is already familiar (local churches, libraries, motels, etc.) rather than always in the facility. Additionally, unless court-ordered otherwise, family members will have 24-7 access to their children inside the facility (waking hours and within court-mandated limits). Currently, the milieu is limited to the residential facility, visits and interventions are facility-bound, and community and family preparation only begins when discharge from the residential facility appears imminent to the residential staff and/or the CSW, i.e. when the child is "ready".

- Integrated Facilitated Planning: At enrollment, the Open Doors provider will convene a Child and Family Team (CFT) which will follow the child and family throughout the arc of enrollment. The CFT, with the child and family (when available) as active and essential participants, will operate across the open therapeutic community, which includes the facility, the school, home, or community settings, reflecting the strengths, needs and the phase of care of the child and family. The CFT will use a unified and transparent planning process with all interventions documented in a plan of care. A plan of care is created at enrollment to guide care in the facility and in the community while the child is reconnected with family, the family unit has achieved their identified goals and is linked to community resources and has informal supports in place. Currently, children are referred to group care in a decentralized, reactive fashion and a family is presented with several teams of people hired to help them with different portions of case management. Moreover, the residential facility is rarely well-integrated with community teams that may be operating at the same time.

- Intensive Treatment Interventions: The open therapeutic community and intensive interventions will be driven by the needs of the child and family. These interventions will be tailored to primarily mitigate those initial conditions and unmet needs that are preventing the child from living in a family. Interventions can include: intensive mental health services (including individual, family and group therapy), behavior modification, psychiatric services, medication support, Therapeutic Behavioral Services as applicable, respite, crisis stabilization, use of evidence-based practices in a milieu infused with Wraparound principles, staff portable across settings, Family Finding connection engagement, preparation and support from Day One. It is key to this transformation that elements of the intensive treatment interventions are transferable. The approaches of the trained staff and the structured relationships that develop in the milieu must be transferable to family and community supporters. For the most part (and as appropriate), these intensive interventions will be guided by clinical models based on family-centered and trauma-focused therapies.

- Parallel Community-Based Interventions: The CFT and other Open Doors program staff will be portable across treatment settings to ensure continuity of care for the child and family. The family, informal supports and other community supports in the

child's life (therapist, school) will be engaged immediately by the CFT at enrollment so that those natural and community supports can be concurrently prepared to receive the child and manage any on-going mental health needs with lessening need for professional support as treatment progresses. In the case where a child has progressed sufficiently to be in the community full-time but there is still more family preparation work to be done before permanent placement is possible, "bridge care" (FFA, ITFC, MTFC, relative, or NREFM[8]) will be considered by the CFT as an interim home based setting so that the child's progress can continue[9]. Currently, most of the child and family work in a case is funded to be done in and generated by the residential facility.

- Follow-up Post–Residential Support: Open Doors does not end with discharge from the facility – that is simply one of many milestones a family achieves. As soon as the initial conditions and unmet needs are at a manageable level, the child transitions into the community full-time. The CFT and primary staff connected to the family remain the same and guide home/community based treatment as well; these portable staff, who span treatment settings, will be the intervention bridge between the facility and the community milieus which make up the open therapeutic community. Respite and crisis stabilization as described in #4 above, will be made available to every enrollee and coordinated by the CFT. Enrollment in the Demonstration Project ends when the CFT states that 1) the goals and needs in the plan of care have been met, 2) the child/family's natural support network is functioning adequately enough to no longer need the high levels of structured professional support Open Doors provides, and 3) the family has been appropriately linked to on-going community supports. Currently, a return to the facility after being in a community is considered a placement failure rather than the planned-for treatment trajectory for high-needs children. Should a particular child and family display significant clinical or logistic challenges[10] which require treatment outside of usual and customary Open Doors practice, programmatic and funding customizations (see Funding Model) or exclusions may be applied and, if so, tracked.

2.4 Role of Other Collaborators: Describe the active collaboration among the following participants in the operation of the RBS program:

- ***The other private non-profit(s)***
- ***Other public agencies/departments: mental health, alcohol and drug programs, education, juvenile justice, courts, tribes, etc.***
- ***Children, youth and families***

The Los Angeles Open Doors Demonstration Project, jointly developed by DCFS and DMH, is the product of an ongoing RBS Work Group that began in April 2005. The RBS Work Group identified best practices in group home care and recently began to explore

[8] Non Related Extended Family Members

[9] John Lyons' research suggests that after a certain point in residential (estimated at between 3 and 9 months) treatment gains suffer due to "contagion" or extended exposure to other children's problematic behaviors

[10] Will be considered "RBS outliers."

the impact AB 1453 could have on our goal of increasing safety, permanency and well-being of youth in group care as well as on reducing the county's reliance on out of home care. In November 2007, the RBS Work Group formed a subcommittee, the RBS Collaborative, consisting of RCL 12 and 14 group home providers, county personnel and other community stakeholders, to design a demonstration project for testing a new group care model under the authority of AB 1453. The RBS Collaborative remained intact until the Open Doors Request for Interest (RFI) was released in August 2008. Once provider selections were made, those collaborative members from selected providers joined other Open Doors stakeholders (described below) to form the Open Doors Program Subcommittee which will ultimately become the Open Doors Roundtable.

As the project's operational oversight group, the Open Doors Roundtable will include representatives from: parent partner groups, the provider agencies' key departments, DCFS educational liaison unit, the DCFS RUM unit, DCFS and DMH's Wraparound Administration, DCFS and DMH's quality, monitoring and training sections, ISCs, DMH clinical staff, Community Care Licensing, and other parties as necessary. This group will meet minimally on a monthly basis and more frequently as needed to support the Open Doors Project. The role of the Roundtable is described in greater detail in 4.5.1. below.

In addition to the Open Doors Roundtable, an Open Doors Advisory Group will be created to function as the community advisory body to the project. Members of the Roundtable will and other stakeholders mentioned below will combine to form this group which will meet quarterly. The other stakeholders may include, but are not limited to, representatives from relevant school districts, the Children's Law Center, dependency court, the Katie A. Panel, county commissions, parent and child advocacy groups, CASA, the Auditor Controller, local community-based organizations, Probation, and others as relevant. The relationship of the Advisory Group to the Roundtable is depicted in the Organization Chart in 4.5.1 below.

3. ENROLLMENT CRITERIA[11]

3.1 Target Population (*Previously Question 1 of Voluntary Agreement*): Describe the criteria that your RBS program will use to select the children, youth and families who will potentially be enrolled during the demonstration period. These criteria may include factors such as age; gender; current placement situation; emotional, behavioral and interpersonal characteristics; legal status; etc. Include a description of any phased or staggered enrollment into the RBS Program.

Currently, DCFS has a little over 600 youth in RCL-12 and 14 institutions (not including youth placed by the Departments of Mental Health and Probation). The baseline data for the target population (FY 2007-2008 exit cohort) is below.

[11] Reference the 'Placement Criteria' section of the 'Framework' document

Table 1. FY 2007-2008 Exit Cohort Data

	Total FC Career (mos)	Total GH Career (mos)	Last GH episode (mos)	Avg Age (years)
RCL 12/14 Combined (N=980)	**60.1**	**20.2**	**8.3**	**15.2**
RCL-12	58.3	18.4	7.7	15.2
RCL-14	80	40.1	15	15.5
Open Doors Providers (N=79)	**63.2**	**32.4**	**21.5**	**12.5**
Five Acres	61.5	34.5	22	11.4
Hathaway Sycamores	63	28.7	18.3	14.9
Hillsides	71.4	29	24.7	13.3

Table 1 shows that the length of stay for the Open Doors Providers is significantly different from the larger population. We will be using the Demonstration Provider data as the baseline for evaluation and the calculation of cost neutrality.[12] In terms of re-entry, 81% of the 980 RCL 12-14 children exited to a lower level of care; of those children, 24% had returned to group care by March 31, 2009. At 23%, the Open Doors Providers had similar re-entry rates.

Open Doors will first target any RCL 12-14 eligible DCFS youth (criteria defined below) already placed in the facilities administered by the selected providers. It is anticipated that all the units the providers plan to convert will be close to full at Day One of the demonstration with only Open Doors youth (there will be no co-mingling of Open Doors and non-Open Doors populations). The unit conversion plan is as follows:

1) Identification of Open Doors-eligible children and communication with their CSWs by June 1, 2009.
2) RMPs and CANS done on all unit conversion youth by July 31, 2009.
3) Decertification of any Open Doors-eligible, RCL-14 youth by July 31, 2009.
4) Staff trained by July 31, 2009.
5) First cohort begins to receive Open Doors services August 1, 2009.

As the first cohort of children individually moves out of residential treatment, we will enroll additional children to the project (via referral to RMP) to fill the 52 beds.. The providers' Open Doors programs have "preferred status" when it comes to new referrals for residential treatment (RCL-12 and 14).

[12] The larger cohort averages also include out of county programs and specialty providers with varying program considerations, matching protocols and populations, e.g. youth who frequently runaway, transition-aged youth, Probation populations, sex offenders and substance-abusing youth. This results in a wide variation in lengths of stay from 2.5 months to 5 years.

3.2 Enrollment Criteria: When the number of youth from the target population exceeds your RBS capacity, what selection criteria and process will be used to determine which youth from your target population will be enrolled in RBS:

When the Open Doors providers reach their maximum census, the RMP staff will be notified via RUM or by the ISC Wraparound Liaison and will be instructed not to identify Open Doors as the primary intervention, but to develop alternate plans. The County of Los Angeles has developed a strong array of services for DCFS children that have intensive mental health needs and the RMP has access to all of those services. In addition, representatives from DMH will participate in the RMP, so any linkages to mental health services can be made very quickly.

3.3 Assessment and Matching *(Previously Question 3 of Voluntary Agreement)*: Please describe the approach your program will take to ensure that only the children and youth who are best served via Residentially-Based Services are appropriately matched for this level of care by answering the following questions:

3.3.1 Indicate the tools your program will use to assess/identify the needs and strengths of the children, youth and families who are referred for enrollment.

Our formal tool will be the CANS-CW. The initial CANS will be done by the RUM unit and presented at the RMP for a potential enrollee – this will establish a treatment baseline from which to measure progress. The CANS will be re-done on each child every six months, at exit and/or at transition by the provider agency staff (with data submitted to and aggregation done by the Wraparound Quality Improvement and Training Section on an on-going basis). A qualified DMH clinician will complete the mental health portion of the CANS for the RMP.

3.3.2 Describe the process/procedures that will be used to decide who will be enrolled and how matching enrolled children, youth and families with an RBS provider will occur.

The velocity with which a child and family are expected to move through the multi-level arc of care requires a coherent, quick and streamlined referral and enrollment process. Los Angeles has enjoyed success with its Team Decision Making (TDM) process and would like to apply a similar level of family involvement for children either in or targeted for residential treatment. The new Open Doors resource will: 1) use a newly enhanced TDM process, the RMP (Resource Management Process), to ensure that family input and standardized assessment are used to admit a child to residential treatment, 2) enable a Child and Family Team (CFT) to be created at enrollment into an Open Doors program whose core members are maintained throughout all phases of the open therapeutic community and 3) empower that Child and Family Team to make both treatment and transition decisions using a unified plan of care written in the family's words. Two Los Angeles County RCL-12 providers and one RCL-14 provider, all of

whom also have Wraparound contracts, have been selected to participate in the Open Doors Demonstration Project. The selected Open Doors providers will make a commitment to include the care coordination and facilitated planning principles of Wraparound to guide the transformation of their group care provision, from case management and supervision to the way delivery of help happens. Providers will also provide representation (as appropriate) and vacancy information (in person or telephonically) for RMPs designated for potential Open Doors candidates.

The following are Los Angeles County's Open Doors eligibility criteria:

Necessary:
- Projected need for 24 hour care at least 50% of the time
- Need for intensive community connections development
  And/Or
- Need for intensive family development

Sufficient but not necessary:
- Will need intensive services after residential discharge to maintain permanency
- Would benefit from a therapeutic community and peer interaction
- Meets minimum threshold of therapeutic need (DMH/CANS)
- Currently in an RCL-12 or RCL-14 facility

Selection will also consider: lack of stability and progress in the current placement, number of prior placements prior to the current placement, identification of a high level of need as determined through administration of the CANS, and recommendation through the child and family's TDM/RMP process. All else being equal, children will be assigned to providers on a rotational basis. The Open Doors referral rotation will be distinct from and will not affect the providers' position in the Wraparound referral rotation.

3.3.3. Explain how children, youth and families will be involved in the assessment and matching decision making processes.

In all instances, the voice of the child and family members will be paramount. There will be four levels of child and family involvement. First, the Open Doors Advisory Group will include representatives for parent and child advocacy groups. Second, the Open Doors Roundtable will include child representatives and parent partners. Third, through the use of TDM/RMP, children and their families and their advocates will be equal partners in weighing the options and needs and choosing the best match for achieving progress and positive outcomes. Fourth, the child and family's voice ("Mission Statement") will drive the plan of care, which is written in the words of the family, and resulting service delivery in and out of the residential facility.

4. PROGRAM CRITERIA[13]

[13] Reference the 'Program Criteria' section of the 'Framework' document

4.1 Mission *(Previously Question 2 of Program Description)*: What is the mission that you hope to accomplish through the implementation of your program? At a minimum, the mission should:

- ***Ensure that all children/youth who receive services are ultimately able to connect or reconnect with family, school and community following placement and***
- ***Provide for active family involvement, behavioral stabilization, intensive treatment, parallel community services and follow-up support to help achieve the mission.***

The Los Angeles Open Doors Demonstration Project will support the transformation of residential care within the child welfare system to empower families, have community focus and achieve permanency.

4.2 Vision *(Previously Question 3 of Program Description):* Describe your vision of how your program will go about accomplishing the mission you have chosen:

The creation of a strength-based, family-centered, needs-driven system of care that transforms residential facilities from long-term placements to short-term family driven open therapeutic communities, which are not place-based and concurrently provide for seamless transitions to continuing community care, while supporting the safety, permanency and well-being of children and their families.

4.3 Guiding Principles[14] *(Previously Question 4 of Program Description):* What are the value-based principles that will guide you in the development and operation of your program? These principles should support a program service environment that reflects the following values from the Framework:

- ***Respect for the culture, individuality and humanity of children, youth & families.***
- ***Maintaining a focus and building plans of care on the individual strengths, needs and goals of each child, youth & family member.***
- ***Providing for and insuring active and equitable family participation in all phases of intervention & treatment.***
- ***Helping children, youth develop and sustain positive connections with family, school & community.***
- ***Understanding and supporting the emotional, behavioral, intellectual and physical development of children, youth.***
- ***Providing positive and supportive assistance to guide children, youth in replacing the behaviors that require residential placement with pro-social alternatives that better express and address their unmet needs.***
- ***Helping children, youth in placement quickly return to and remain safely with their families, schools & communities.***

1. **Children belong at home in their community.** We acknowledge that children do best when they live with their family and in their community. Children should only be placed in residential care when their needs cannot be safely met by intensive services while living with their family, relatives or in a foster home. Services and supports best meet child and family needs when they are provided in the family's

[14] Reference 'Values' in the 'Program Criteria' section of the 'Framework' document

home or the child's community, but when a child requires intensive support and treatment in a residential treatment setting, the residential facility is seen as a specific intervention within the broader plan for the child and will not be seen as a permanent arrangement.

2. **Family expertise, voice and choice.** We acknowledge that families are the experts on themselves and also recognize that families can make well-informed decisions about keeping their children safe when they are supported in the development of the treatment and transition plan. Therefore, the family's voice is held in high esteem and shall be honored in every phase of treatment planning and transition from group homes. The system of services and supports should be sufficiently flexible and adaptable to the unique needs of each child and family.

3. **Culture, individuality and humanity**. We acknowledge that respect for the culture, individuality and humanity of children and families is paramount in service delivery. Every plan will reflect a respect for cultural diversity and its impact on the family and their choices.

4. **Strengths-based planning and treatment.** We acknowledge that all families have strengths, and when children and families see that their strengths are recognized, respected and affirmed, they are more likely to rely on them as a foundation for taking the steps to change. Maintaining focus and building a plan of care based on the individual strengths, needs and goals of each child and family member will create individualized solutions that are more likely to succeed. Therefore, residentially based services are driven by the needs of the child and preferences of the family and are addressed through a safety-conscious, strengths-based approach. If a child requires residential treatment as an intervention, those family strengths need to be acknowledged and built into the plan.

5. **Transparent, unified planning and treatment.** We acknowledge that families deserve the benefits of a single point of responsibility and accountability for assessment, treatment planning, and service delivery. RBS treatment will be guided by a unified care planning system which integrates child welfare services with existing mental health and education plans. All parties involved in decision-making – families, CSWs, provider staff – will have prompt access (within legal bounds) to the information they need to make the most prudent treatment decisions.

6. **Active family involvement and connections.** We acknowledge that providing for and insuring active and equitable family participation in all phases of intervention and treatment is essential to success. Reunification occurs more rapidly and permanently when the family is actively involved and visiting frequently while the child is in residential care. Coordination of the activities of everyone involved is critical and works most effectively and efficiently when it occurs in regular meetings of the Child and Family Team. Residentially based services will work to maintain and sustain positive connections and interactions with family, school and community.

7. **Collaboratively building informal and community supports.** We acknowledge that families and friends can provide love and caring in a way that no formal helping system can and these supports are crucial in preparing for the child's transition back to their community. Providing positive and supportive assistance to guide children and their families in replacing the behaviors that required residential placement with pro-social alternatives that better express and address their unmet needs will ensure successful reunification. Residentially based services will provide alternatives that will support the emotional, behavioral, intellectual and physical development of children and help them to return more quickly, and safely remain with their families, schools and communities. None of this is possible without cross-system integration and intra-county collaboration which will ensure a seamless, efficient, respectful and coordinated experience for children and families.

8. **Dedication and Integrity**. We acknowledge the dedication and integrity required by the "whatever it takes" approach to creating permanency for a child which consistently provides the best outcomes. All aspects of the RBS system will facilitate this approach using high ethical standards, cutting-edge promising practices, and strict accountability regarding performance and outcomes.

4.4 Administration[15]:

4.4.1 Placing Agency Oversight: Describe how the Placing Agency will ensure that each Providers' administration, management and staff will provide high quality, cost-effective care and facilities for youth and families enrolled in the RBS program. Also, include specific parties/units who will be responsible for carrying out this approach.

As detailed in 2.2 above, the Wraparound Operations Group will work closely with the Open Doors providers in their delivery of care for children enrolled and with their partners (CCL, DCFS Out of Home Care Management Division[16] and the CDSS) to ensure high quality, cost-effective care. The DCFS Wraparound Quality Improvement and Training Section will provide care management and monitor the overall course of services (via ISCs) delivered by the Open Doors providers from the point of enrollment to when the child is in a stable and permanent family living arrangement and has graduated from Open Doors. The DMH Child Welfare Division's Residential and TBS Support Department will monitor EPSDT utilization by the Open Doors providers. The DCFS Out of Home Care Monitoring Section will monitor the group home contracts of the Open Doors providers. Lastly, the DCFS RUM unit will coordinate RMPs and initial CANS administrations.

The Open Doors quality review process will generally follow the quality review process currently implemented for Wraparound with additional training for monitoring staff to accommodate the Open Doors model's nuances. There are four levels: First,

[15] Reference 'Administration' in the 'Program Criteria' section of the 'Framework' document
[16] OHCMD (of which RUM and Out of Home Care Monitoring Sections are a part) currently monitors all group homes and FFAs in Los Angeles County. They will work in partnership with Wraparound Quality and Training to develop a sensible and integrated monitoring protocol for the demonstration providers.

administrative reviews of the Open Doors providers will be completed annually by the DCFS Wraparound Quality Improvement and Training Section. This review includes, but is not limited to contract compliance monitoring and administrative processes (human resources, etc.). Second, a programmatic review will be completed (also by the DCFS Wraparound Quality Improvement and Training Section) that includes, but is not limited to policies, procedures, and documentation. Third will be the practice level review process, in which ISCs review the provider's plans of care every six months for timeliness, completeness and Wraparound model fidelity. In addition, ISC teams, whose representatives are also present at RMPs, act as liaisons between the providers and the County worker to trouble shoot and assist in resolving issues. The last level will be conducted by the Auditor Controller's office. They monitor and review the providers' fiscal practices and record keeping. The DCFS Wraparound Quality Improvement and Training Sections ensure all four levels of reviews are cross communicated with all the staff involved and the same process will be repeated for Open Doors. In this way, there will be consistency in focus, expectations, values and message across all aspects of the management of Los Angeles' Open Doors Demonstration Project.

The Wraparound Quality Improvement and Training Section will collaborate with the DMH Child Welfare Division, the DCFS Research and Evaluation Section, and the Out of Home Care Monitoring Section to oversee the collection of outcomes and other related data from the Open Doors providers. The expectation is that the Open Doors Demonstration Project will demonstrate ongoing progress toward helping enrolled children and families achieve permanency, safety and well-being. While understanding that straight-line improvement is unlikely when children and families have complex and enduring needs, the Open Doors providers will use objective measures as well as the qualitative reports of the children and families to track overall movement toward the identified goals of our system of care.

The chief objective measure will be the findings of the CANS assessment tool at enrollment, and at transition or every six months thereafter. Qualitative reports of the child and family's perception of progress and satisfaction with services will be garnered through focus groups, interviews conducted by parent partners, completion of the Wraparound Fidelity Index tool, and by completion of the Youth Services Survey (YSS) and the YSS-F for families. The Open Doors Evaluation Subcommittee is also exploring the addition of a family functioning measurement tool as well to be added later in the Demonstration Project.

4.4.2 Provider(s) Resource Capacity: For each Provider involved, describe the capacity for supplying adequate fiscal, material and personnel resources to carry out their role in the RBS program.

The Los Angeles County Open Doors Demonstration Project will use a lead agency structure for the delivery of the comprehensive package of services, supports and interventions included in our project design. Each lead agency will be responsible for developing and implementing a plan of care supported through our alternative model for

AFDC-FC funding and an individual behavioral health services plan that is supported through EPSDT.

Each lead agency will convert current RCL beds into Open Doors beds that can be used for short term stabilization and assessment. As detailed in 2.3 above, they will also provide additional services such as Family Finding, family support, respite, crisis stabilization, and concurrent community development all managed by the plan of care. In addition, each lead agency will make arrangements for additional formal and informal assistance, services and supports as appropriate given each child and family's specific strengths, needs and goals as identified in the plan of care. During the initial phase of Open Doors we will use three lead agencies: Five Acres, Hathaway-Sycamores and Hillsides.

Five Acres-the Boys & Girls Aid Society of Los Angeles County is a mid-sized multi-service agency accredited by Council of Accreditation with an annual budget of $26 million. They have had numerous contract/s with Los Angeles County since before 1970 and have had a group home contract since 1980. Five Acres currently has DCFS contracts for the following services: Residential Group Homes, Foster Family Agency Foster Care and Adoption, Adoption Promotion and Support Services, Family Preservation, Wraparound, Intensive Treatment Foster Care, THP-Plus, and CAPIT,. In addition Five Acres has had a contract with Los Angeles County DMH since 1990 for school based mental health services which has continued to grow and now provides services under the following programs: School Based Mental Health, Community Based Mental Health Services, Therapeutic Behavioral Services, Multi-Disciplinary Assessment Teams, Wraparound, Medication Support Services, Psychological Testing, Targeted Case Management and Crisis Management. Five Acres also offers a Non-Public-School (NPS) for children whose Individual Education Plan specifies NPS, a Domestic Violence Program, Independent Living Program, and an Internship Program through other funding sources. These services allow them to serve over 5,000 children and their families each year. They operate RCL 12 group homes that serve up to 80 children, boys and girls aged 6-14, at their main campus and boys aged 12-17 in two 6-bed group homes in the Pasadena area. They have a contract to provide Wraparound services and currently have 3 full Wraparound teams that consist of a Facilitator, Parent Partner, and Child and Family Specialist. There is also at least 1 full time therapist dedicated to Wraparound. The Residential Treatment Program employs 2 Parent Partners one of whom is dedicated to Family Finding. The School Based Mental Health Services are provided to the Pasadena, Monrovia, and El Monte School Districts. Five Acres currently has 314 full time, 29 part time and 109 on-call employees.

Hathaway-Sycamores Child and Family Services is a large, Joint Commission-accredited, multi-service child welfare and children's mental health provider serving children and families throughout Los Angeles County with an annual budget of approximately $47 million. Hathaway-Sycamores has had multiple contracts for Residential Group Homes, Foster Family Agency and Adoption, Wraparound, and mental health services with Los Angeles County as well as city contracts that currently allow them to serve over 9,000 children and their families each year. They currently

operate an RCL 14 group home, and have closed a mixture of over a hundred RCL 12 and RCL 14 beds during the last five years. In the Connections program which provides Wraparound services there are 20 Wraparound facilitators, 24 parent partners and 8 clinical supervisors, all with the capacity to provide mobile crisis response. Hathaway-Sycamores also provides school-based mental health services in four school districts in over 24 schools with 75 staff. A transitional independent living program provides scattered site apartments for housing 26 young adults after emancipation from the foster care system. Intensive in-home services are provided for children and families in crisis. This program is based on the values of Wraparound and provides family stabilization and support for those children leaving the hospital, juvenile hall, or at risk for expulsion from school. Through the Mental Health Services Act, in-home community based services are provided to children, families and transitional age youth throughout Los Angeles County, providing a "whatever it takes" approach to ensuring housing, employment, and keeping children with their families and out of institutions. A Family Resource Center provides support to families living in the Highland Park community and outpatient services are available as well to those families who could benefit from individual group and family therapy. Outpatient services are also available at clinics located in Pacoima and the Antelope Valley. Multi-Assessment Team services are provided in five regions within Los Angeles for those children who are identified for removal from their homes by DCFS. The Center for Grief and Loss for Children provides individual and group counseling in a supportive environment to bereaved families and hurting children after a death or separation from a loved one. The Center also provides grief and loss training for therapists, clinicians, teachers, after-school personnel, clergy, parents and volunteers. For those families who experience trauma as a result of a death from gang violence, they provide immediate response to the location for grief counseling, follow-up services with those families with a ten-week support group, as well as providing grief sessions, groups and parent support in eight schools most impacted from gang violence within the Los Angeles School District.

Hillsides is a mid-sized multi-service agency with an annual budget of $20 million. The agency has had multiple contracts with Los Angeles County dating back to the 1940s. Currently, Hillsides' contracts include Family Preservation, Wraparound, Group Home and Child Abuse Prevention programming as authorized by AB1733/2994. In addition Hillsides contracts with the Department of Mental Health to provide Mental Health Services, Multi-Disciplinary Assessment Team (MAT) services and Full Service Partnership, part of the Mental Health Services Act. Hillsides has a RCL 12 facility with the capacity to serve 50 children on its residential campus and 16 children amongst 3 group homes for a total capacity of 66 children. The residential program is licensed to serve a co-ed population from ages 6 to 18 years. Hillsides received a Wraparound contract which began in 2006. Currently the Wraparound program contains 16 staff including Parent Partners, Facilitators, Child and Family Specialists and Clinicians. Additionally, the agency operates in-school mental health programs that provide services in the Pasadena, Baldwin Park and Los Angeles School Districts. Hillsides Education Center is a non public school that serves 84 students from 13 districts. Youth Moving On (YMO) is Hillsides' transitional living program is aimed at emancipating foster youth. This is housed in an agency owned 40 unit apartment complex. YMO's

has the capacity to serve 20 youth at one time. Last year, all of Hillsides services and programs, served over 4,500 youth and family members.

4.4.3 Provider(s) Consumer Input Capacity: For each Provider involved, describe how the administrative structure will include opportunities for ongoing input by representative family members and service consumers.

Five Acres currently has a Parent Advisory Panel and a Youth Advisory Panel. These advisory panels have direct access to upper management including the Executive Director. Family members have participated in the strategic planning retreat with Leadership Staff and Board members for the last 2 years and will continue to be part of the process in the future. This strategic planning process utilized feedback from family members from all agency programs to focus the strategic plan on the areas that were most important to them. In addition Five Acres will include a parent partner on the management team supervising their Open Doors program.

Hathaway-Sycamores is committed to ensuring family voice is present at every level within the agency, from having a previous parent consumer on the Board of Directors to having a parent partner on the leadership team as well as all levels of management including oversight of the Open Doors program.

Hillsides currently is holding a parent support with intent that this group will give input to a Hillsides Parent/Family Guide. They will continue to offer this support service. It is through this type of family input that Hillsides expects to provide family friendly services from the point of initial contact. Open Doors parent partners will be assigned to each caregiver involved in the Open Doors program. It will be the Parent Partner's responsibility to ensure family voice and choice throughout the Open Doors arc of care. As Hillsides wants to promote open communication and opportunities for input, comment boxes exist throughout the agency. Hillsides' Executive Director reviews all comments. In addition, family members are informed of the organization's procedure for filing a complaint which includes information of how to contact staff supervisors including the Executive Director. All programs gather information on the client and family's level of satisfaction with services through use of the YSS, YSS-F and Field Based Satisfaction Survey. Outcomes of these surveys are reviewed by an administrative team.

Each agency will have a ratio of 1:10 parent partners to children working with the Open Doors clients (all staff ratios will comply with the Wraparound contract and its amendments). In addition, several formal and informal techniques will be used for obtaining family and child feedback including focus groups, confidential interviews conducted by non-threatening (can this be said differently?) interviewers and mid-service and exit satisfaction surveys.

4.4.4 Provider(s) Data Capacity: For each Provider involved, describe the capacity for having a well-structured and reliable system for data

management that accurately reflects its operations, costs, service delivery and outcomes.

All three lead agencies will use data systems which are highly- stable and secure, contain data fields and analysis algorithms that are compatible with the multi-mode, multi-environment nature of Open Doors, and, while not capable of direct linkage with CWS/CMS, will produce hard copy reports that are easily entered into the county's data system.

Five Acres is going to use the Totally Integrated Electronic Record (TIER) Workflow system service management software to record child and family plans of care, document services, generate billing, track child and family progress and outcomes and prepare reports for the placing agencies and the court. The TIER Workflow System for Social Services offers innovative features to uniquely support case management, transitional housing, foster care, adoption, birth parent planning, and supported employment. TIER also provides software support for traditional services such as counseling and medication management. TIER offers accepted practice guidelines which improve compliance with CMS requirements and JCAHO/CARF/COA accreditation standards.

Hathaway-Sycamores uses AVATAR for their electronic clinical record and management software to record child and family plans of care, document services, generate billing, track child and family progress and outcomes and prepare reports for the placing agencies and the court.

Hillsides' computer network contains 5 databases (Sigmund, Razor's Edge, MAS 90, ABRA and Millennium) used to record and manage Hillsides' client/family, employee and financial records. Their network is managed in-house by an IT department and the network is equipment with security software, redundancy systems and three back-up systems to protect all data including EPHI. Hillsides is in the implementation phase of installing the "Sigmund" software application, design for behavioral health care services. The software has the ability to record referrals; intakes; assessments and progress notes; health/medical activities; education; generate billing, paperwork tracking; discharges and aftercare activities. Sigmund maintains historical data on all clients and can generate reports directly from the client's screen or outcome reports in PDF, Word or Excel formats.

4.5 Management:[17]

4.5.1 Management Roles & Responsibilities (*Previously Question 7 of Voluntary Agreement*): Please identify key managers of the Placing Agency(ies) and each Provider Agency(ies), and their roles and responsibilities for the implementation and operation of your program (If a Provider Agency has not yet been selected for your project, simply describe the roles and responsibilities that they will be expected to fulfill upon selection). *If available attach organizational chart that displays positions by job title/ classification.

[17] Reference 'Management' in the 'Program Criteria' section of the 'Framework' document

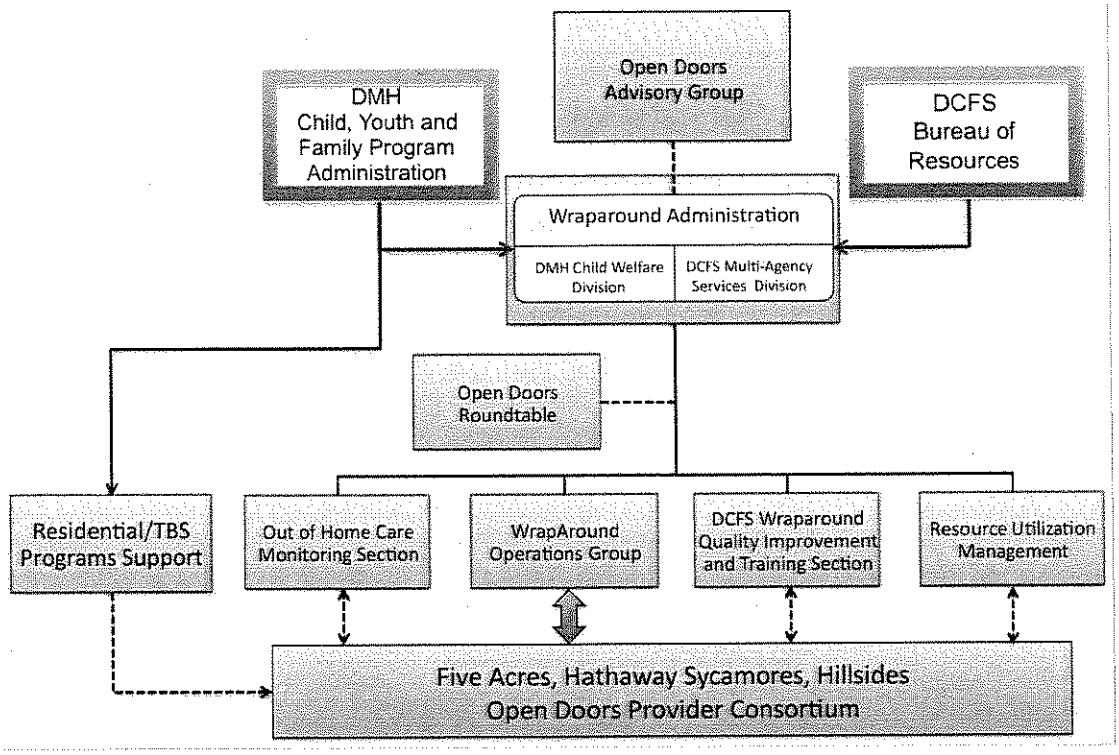
Residentially Based Services Reform Project

Voluntary Agreement

Los Angeles County Official Submission

Agency	Lead	Role & Responsibility
DCFS Resources Bureau	Lisa Parrish	As Bureau Chief, Ms. Parrish has ultimate authority over funding and design for Open Doors, as well as aligning Open Doors with related departmental initiatives such as the Title IV-E Waiver and Katie A. Strategic Plan. Ms. Parrish will also co-chair the Open Doors Advisory Group
DMH Child, Youth & Family Program Admin.	Olivia Celis-Karim	As Deputy Director, Ms. Celis-Karim has ultimate authority over funding and design for Open Doors and related initiatives such as the Katie A. Plan.
DCFS' Multi-Agency Services Division (MASD)	Michael Rauso	As Division Chief, Mr. Rauso is the DCFS executive in charge of Wraparound in the county and all aspects of Open Doors implementation as well as the Wraparound Operations Group. Mr. Rauso will also co-chair the Open Doors Roundtable which will be responsible for convening, documenting and managing data and recommendations to and from the Roundtable.
DMH Child Welfare Division	Angela Shields	As Program Manager, Ms. Shields is the DMH representative in charge of Wraparound in the county and all aspects of Open Doors implementation as well as the Wraparound Operations Group along with Michael Rauso.
DCFS Wraparound Quality & Training Section	Sherman Mikle	As Section Manager, Mr. Mikle will be accountable for managing the county-level day-to-day operations of the Open Doors program, which includes QA, training support, surveillance and evaluation. Mr. Mikle will also coordinate monitoring efforts within DCFS with the Out of Home Care Monitoring Section and RUM.
Five Acres	Regina Bette	As the Assistant Executive Director, Ms. Bette will be her agency's point of contact for Open Doors.
Hathaway-Sycamores	Debbie Manners	As the Executive Vice President for Programs, Ms. Manners will be her agency's point of contact for Open Doors.
Hillsides	Aaron Zaima	As the Director of Wraparound, Mr. Zaima will be his agency's point of contact for Open Doors.

Residentially Based Services Reform Project
Voluntary Agreement
Los Angeles County Official Submission



4.5.2 <u>Communication Network</u>: Describe how your management team will have a communication network sufficient to insure that accurate information about issues and challenges regarding program operation or child, youth and family needs are noted and responded to in a timely and effective manner.

We will use the Open Doors Roundtable as our central forum for programmatic communication. The purpose of the Roundtable is to review implementation progress, advise, share successes, problem-solve, review evaluation data, and recommend changes to the program during the pilot and for scale-up. Information will feed into this group from the Wraparound Operations Group which includes DMH and DCFS Wraparound staff, Wraparound Quality Improvement and Training Section, ISCs, parent partners, provider quality/management entities as well as family focus groups and satisfaction feedback systems.

The Open Doors Advisory Group will include DCFS, DMH, parent partners and providers as well as representatives from the advocacy community, and the broader service, oversight and community network and will thus be able to gather information from those perspectives. By combining operational data from with the qualitative data from the family feedback system and observational input from the Roundtable, the Open Doors Advisory Group will be able to continually recommend adjustments to the structure, operations and services of the Open Doors Project to better meet child and family needs and to better align with other local initiatives.

On a provider level, the CFT communication structure is based on the principles of portability and nimbleness. The CFT should be small enough, yet representative enough, to be able to assemble quickly, particularly, in emergency situations and get treatment decisions made and implemented promptly. The CFT's operational connection with the Open Doors Roundtable is via the ISC representative and provider Wraparound management.

4.6 Staffing:[18]

4.6.1 Staff Roles & Responsibilities: What changes will the Placing Agency(ies) and each Provider Agency be making in the staffing model in order to transform their existing group home programs into the new RBS program. Include information on the role and responsibilities, qualifications, experiences, and education necessary.

The placing agency will be designating existing ISC members to process Open Doors enrollments. This will be within the normal scope of the duties of these workers and will not constitute a change in the staffing model for direct service staff. The same applies to CSWs who will be making referrals to Open Doors. However, there will be integration and cross-training within the DCFS/DMH Wraparound Quality Improvement and Training Sections, the DMH Residential Programs Support department, and DCFS Out of Home Care Monitoring Section which monitors residential facilities and FFAs as well as is the clearinghouse for all Special Incident Reporting as it related to residential facilities.

The provider agencies will be making significant changes in their staffing models, which currently follow the point weightings of the RCL system. They will each establish new Open Doors mini-campuses which will not use staffing models and ratios mandated by the RCL system largely to allow for the portability of planning and treatment staff across settings. Each mini-campus will have three main staff roles:

1) The CFT-related staff, who will provide facilitated planning, family engagement/empowerment services and coordinate the development and implementation of the Open Doors plan of care.
2) The portable staff who may or may not be regular members of the CFT and will bridge the facility treatment and community treatment by providing clinical services and/or behavioral interventions in the portable Open Doors therapeutic milieu which includes the home, school and community.
3) The residential facility staff who will primarily maintain the care environment in the units.

The staffing model (described in greater detail in the Funding Model and RCL-Waiver request) will contain the following positions. Minimum experience required will follow the guidelines in the Wraparound Contract, with additional or equivalent experience or education preferred as noted below:

[18] Reference 'Staffing' in the 'Program Criteria' section of the 'Framework' document

• CFT Facilitator	Preferably Bachelors plus 4 years experience
• Parent Partner	Preferably one with DCFS involvement experience, ideally residential treatment related
• Clinician	'Qualified mental health professional' as defined by DMH
• Family Finder	Preferably Bachelors plus 2 years experience
• Milieu Supervisor	Preferably Bachelors plus 2 years supervisory experience
• Crisis Response staff	Preferably Bachelors plus 2 years experience
• Youth Specialist	Preferably Bachelors plus 2 years experience
• Awake Overnight Staff	Preferably High School plus two years experience
• Nurse	LVN or RN
• Psychiatrist	MD

4.6.2 Provider Staff Capacity Plan: Describe how the RBS program will recruit and retain skilled and effective staff, maintain adequate and consistent staffing levels, and ensure that staff understand and are able to put into action the mission and values of the program.

The three selected providers all have proactive, ongoing and highly targeted recruitment and retention plans. In general, the providers currently project that experienced workers who have expressed eagerness to transition to this new form of service and support will fill about 60% of the Open Doors staff positions at the three provider locations. New hires from the group of applicants currently being considered by the three agencies will fill the remainder of the positions.

Five Acres' recruitment and retention plan uses Supervision for Success, a supervision model that identifies the immediate supervisor as key to employee success and retention. Supervision is designed to build on the strengths of the employee and helps them identify what skills and qualities allow them to be successful in their specific work setting. Recruitment, hiring and retention are achieved through a strong match with job competencies, development of skills, commitment to and alignment with agency values and mission. The current mission: Five Acres is dedicated to helping families raise children to become caring and productive adults by building on their strengths and those of their families and communities and values; collaboration, commitment, compassion integrity and leadership are completely aligned with the mission and values of Open Doors. In addition, our current vision is Effective Partnerships with Empowered Families. Currently the retention rate at Five Acres across all job descriptions is 85%.

Hathaway-Sycamores uses the Directive Supervision System which emphasizes consistent, strength-based and goal-focused hiring and retention from the job announcement, applicant interviews, job descriptions and orientation training, through the ongoing supervision and career advancement process. Currently the retention rate at Hathaway Sycamores across all job roles is better than the national average. We have been training staff in the values and practice of Wraparound for the last eight years when they implemented a family-driven, strength-based, culturally-competent practice approach. They currently project that experienced workers who have

expressed eagerness to transition to this new form of service and support will fill about 80% of the Open Doors staff positions. Hathaway Sycamores projects that new hires from the group of applicants currently being considered will fill the remainder of the positions.

Hillsides plans to recruit and promote staff from its current programs to work in the Open Doors pilot. Hillsides has consistently utilized and promoted staff for more specialized programs (Mental Health, Therapeutic Behavioral Services, Wraparound, etc.) from its residential staff population. This informal policy has allowed management to identify staff with the needed strengths and skills to perform these advanced roles. This contributes to a high retention rate of skilled staff. Similarly, for the Open Doors Program, Hillsides will identify key staff from its Residential, Wraparound and other Mental Health Programs that demonstrate a value and skill set that is consistent with Los Angeles County's mission and vision for Open Doors. Hillsides plans to pay these staff at a higher rate due to the higher level of skills needed to serve the population and flexibility needed to work in the community in parallel with the residential milieu.

4.6.3 Placing Agency & Provider Agency Staff Training Plan *(Previously Question 10 of Voluntary Agreement)*: Please describe your plan for training the Placing Agency(ies) and each Provider Agency(ies) staff who will be implementing your program and also describe how ongoing (continued) training will be provided. Include the positions that will require training, the training topics essential to implement your RBS program, and the general skill development you are seeking to improve.

The Open Doors provider consortium has agreed that it will utilize the Los Angeles Training Consortium's Wraparound training for the initial training until Open Doors specific foundational training can be developed as a base for any staff involved in the Open Doors program. Additionally more role specific and Open Doors specific training modules will be developed to address specific training needs. Staff will be required to attend an already established, monthly in-house in-service training on various topics related to working with the high-needs children and families. Currently Wraparound staff is encouraged to attend outside trainings when the topic is for the enhancement of their specific role and/or work with families. In general, there are three levels of information sharing regarding Open Doors: 1) Social Marketing (materials to be developed), 2) Basic Training and 3) Role-specific Training.

1) *Social Marketing.* This includes information guides, family handbooks, press kits, and information for schools, CSWs, psychiatric hospitals and other stakeholders. We are preparing social marketing materials and training elements to be consumed by parents, county care managers from DCFS, for the care coordinators at the three lead agencies, for staff at the lead agencies, for clinical assessment and treatment staff from all public and private agencies, for the members of the CFTs, and for the family engagement and empowerment staff at the lead agencies.

2) *Basic Training.* Los Angeles County Open Doors will create and establish a 16-hr cooperative Open Doors training module that will be managed by the DCFS/DMH Wraparound Administrations and embedded in the Los Angeles Training Consortium's Wraparound Training basic sequence which is currently 24 hours in length and will be used for the first phase of implementation. Potential funding which has been identified for training includes Title IV-E Training and Katie A.-related Wraparound Expansion Training dollars. Eventually to be its own sequence, the Open Doors module will include the following topics: Open Doors principles overview, description of the Los Angeles County Open Doors Project (including the roles and responsibilities of the participating public and private agencies and of the staff working in those agencies), Open Doors practices overview (family involvement, environmental interventions, intensive treatment interventions, parallel community services, follow-up aftercare services, utilization management and funding), and introduction to the Open Doors plan of care development process.. Providers will also conduct their own internal Open Doors-related agency-specific orientation for provider staff. Every effort will be made to draw down Title IV-E training funds by coordinating as many elements as possible of the Open Doors training with the larger RBS Training Subcommittee involving UC Davis, Pat Miles and Martha Kauffman.

3) *Role Specific Training.* Depending on the role that the staff person will play in the Open Doors system, they will then complete the up to 16-hour role-specific training elements. These will vary in length and focus based on the staff person's duties. LA Open Doors Project has identified a set of foundational skills that all staff will be expected to exhibit: respect, attention, encouragement, understanding, responding, modeling and reinforcing. Each of the foundational skills has an associated description, a rationale for its development, a set of practices for building the skill and markers for identifying when the skill is being used effectively. In addition we also have identified a set of task specific activities for the various roles that staff will be filling. Role descriptions, at least at the provider-level, will be modified to reflect these skill sets.

The initial group of public and private staff assigned to the Open Doors Project will complete the sequence together over the course of 4 weeks in July to prepare for enrollment beginning on August 1, 2009. We are exploring the possibility of pre-enrolling the existing provider-identified Open Doors children in "Tier 2" Wraparound for the month of July so that some funding can begin to flow to providers to compensate for staff time and other training costs. The Open Doors Training Subcommittee will then review the initial Open Doors-specific training materials/ sequence with the participants and prepare a revised version of the training elements.

4.7 Quality Assurance (*Previously Question 9 of Voluntary Agreement*):[19]

4.7.1 Describe the tools and/or methods your program will use to insure accuracy and accountability in service delivery and the persons responsible for managing quality assurance.

[19] Reference 'Quality Assurance' in the 'Program Criteria' section of the 'Framework' document

Residentially Based Services Reform Project
Voluntary Agreement
Los Angeles County Official Submission

QA Tools/Methods	Intent/Purpose[20]	Frequency	Person/s Responsible
Wraparound incident reports	Crisis response	Ongoing	Sherman Mikle - DCFS Wraparound Training and Quality Improvement Section Shirley Robertson – DMH Wraparound Program Administration
Wraparound Fidelity Index (WFI)	Model fidelity	6 mos.	
YSS, YSS-F Aggregation	Client satisfaction	6 mos.	
CAFAS/CANS Aggregation	Clinical progress	6 mos.	
EPSDT Utilization	Contract Compliance	Annually	
Client Focus Groups	Client satisfaction	Annually	
Administrative Reviews	Contract compliance	Annually & as needed	
Group Home Monitoring Review	Contract compliance	Annually	Dorothy Channel – DCFS Out of Home Care Monitoring Section
Special Incident Reports	Crisis response	Ongoing	
Chart Review	Contract compliance	Annually	
Site Visits	Contract compliance	Annually or as needed	
Client Interviews	Child safety/rights	Annually	
Staff File Reviews	Title 22/contract compliance	Annually	
Chart Reviews	Contract compliance	Every 3 yrs.	Betsy Fitzgerald - DMH Residential/TBS Programs Support
EPSDT Utilization Reviews	Contract compliance/ Medical Necessity	Quarterly	
Site Inspections	MediCal Certification	Every 3 yrs.	
Chart Review	Staff performance	6 mos.	Cindy Coons - Five Acres Quality Assurance, Charts & Records Dept. David Kirk - Hathaway-Sycamores Quality Dept. Toni Aikens – Hillsides Quality Dept.
CAFAS/CANS	Clinical progress	6 mos.	
Special Incident Reports	Crisis response Staff performance	Ongoing	
Facility Inspections	Contract compliance	Annually	

4.7.2 Explain how each Provider is linking its quality assurance system and goals with those of the broader community, including the county SIP and state PIP.

All three providers will participate in the Open Doors Advisory Group along with a wide range of community representatives, including those from child and family representatives, community-based service agencies, and county government. This group will provide direct feedback on the quality of the services and outcomes being achieved and will make suggestions for system and service improvement. Since 2033 DCFS has focused on three key goals for our Department: improved safety, decreased

[20] What aspect of the program is this tool measuring?

timelines to permanency, and reduced reliance on out of home care. The Open Door Project supports all these key goals, and has as its own goal decreased timelines to permanence.

The Open Doors Project is completely consistent with the Los Angeles County child welfare System Improvement Plan (SIP) which supports the State Performance Improvement Plan (PIP). The children who will be enrolled in Open Doors come from a target population that has historically experienced a low rate of achieving permanency, safety and well-being. If the Open Doors Project is successful, not only will those children and their families have better lives, but our performance indicators will also improve, and that will help advance our SIP and the state PIP. Specifically, in our SIP, which runs through September 2011, DCFS is focusing on improving performance on the federal measures on reunification, adoption, and exits to permanency or emancipation from long term care. The Demonstration Project supports the SIP strategy to expand Family Finding and Engagement Activities, and is consistent with the strategies to hold Permanency Planning Conferences, establish Specialized Youth Permanency Units for disconnected youth, increase our Treatment Foster Care utilization as an alternative to group home placements, and Increase Permanency Rates, as well as the KinGap Program.

5. SERVICE CRITERIA[21]

5.1 Engagement

5.1.1 Engagement Processes: Do staff have explicit processes for engaging the children, youth and families who are referred for care, and accurately determining their strengths, needs, and goals? Explain.

Every enrolled child and her or his family will be greeted with respect and attention and encouragement by the staff in the Los Angeles Open Doors Demonstration Project, from enrollment to graduation. During the engagement phase, immediate needs will be identified and addressed by the CFT, the bridging staff and the facility staff in a Safety Plan (part of the plan of care) to insure safety and stability. At the same time, for youth disconnected from their families, a Family Finder will begin to develop a family reconnection plan within the plan of care in conjunction with the CFT. This is a strength-based, needs-driven plan with a targeted focus on helping the child and family achieve and maintain the goals that are most important to them.

Key to the effective use of the CFT process is the recognition that persistent behaviors that appear challenging and dangerous are usually driven by critical unmet needs, and that the development of effective alternatives requires not only understanding the underlying nature of those needs, but also identifying core individual strengths of the child and family members. This prevents the usual labeling of children and families as "resistant", "damaged," or "not ready."

[21] Reference the 'Service Criteria' section of the 'Framework' document

5.1.2 Family Supportive Environment: List and describe the supports, such as the use of parent partners and peer advocates, provided to insure that children, youth and family members understand the program's nature and processes and have adequate and effective voice and participation?

Each of Los Angeles County's Wraparound phases (engagement, planning, implementation and transition), which will be incorporated into Open Doors Project, requires active child and family involvement. Generally speaking, families will be engaged in the process from RMP meeting to graduation, will have full access to their children in the facility, will drive treatment and life decisions, and will have active voice and choice in CFT meetings. The system will have four primary components that will operate directly to insure a family-supportive environment. First, providers will assign parent partners who were primary caregivers of children with severe emotional disabilities and preferably who had children who were placed out of the home in high level care for extended periods of time. Second, all three programs will utilize parent and youth advisory groups to obtain feedback about the program. Third, all three programs will have a Family Finder dedicated to family engagement and empowerment, and will supervise all milieu staff to a family-centered trauma-informed practice model. Fourth, the Open Doors plan of care development and implementation process that will be the foundation of the Los Angeles County Open Doors System is family-driven as demonstrated by active family participation on CFT, the Open Doors Advisory Group and the Open Doors Roundtable.

5.1.3 Engagement Consistency: Describe how the engagement process will be used consistently and effectively with each child who is referred for services and with his or her family members?

Engagement consistency is supported by the core skills that all staff will be trained to use: respect, attention, encouragement, understanding and trauma-informed response. The way these steps will be expressed will vary with each child family's situation, strengths, preferences, culture and needs. In order for the process to be used consistently and effectively, training is only the first step. That training is reinforced by the documentation required to complete the Open Doors plan of care, by the ongoing quality assurance and improvement feedback that is provided through peer to peer and supervisory consultation, and through the results of client satisfaction focus groups and surveys.

5.2 Service Planning

5.2.1 Individualized Service Planning *(Previously Question 6 of Voluntary Agreement)*: Describe the process your program will use to develop and document the individual service plan that will guide intervention and assistance for each enrolled child and his or her family.

As noted, an Open Doors plan of care, external to the residential facility, will anchor and integrate services in the Los Angeles County Open Doors System. The Open Doors

plan is developed and implemented through a specific set of planning steps (engagement, planning, implementation and transition) that will be used by all CFTs. Open Doors Plans of Care are multi-modal and multi-environmental. Multi-modal means that they act in different ways across all of the domains of the lives of the child and family as needed to use their strengths to address the key unmet needs preventing the child and family from achieving permanency, safety and well-being. Multi-environmental means that the plans also address the initial conditions and unmet needs that led to Open Doors referral in the first place One option is to use one of the beds in the residential unit to help stabilize the most erratic and difficult behaviors while more community-based options are explored, including return to family, kinship care or foster care.

Upon admission, a member of the CFT will greet the child and, if available, the family. This CFT consists of a Parent Partner, CSW and CFT Facilitator, and may also include a Youth Specialist, Clinician and Family Finder. If the referral for Open Doors has been arranged via a TDM/RMP, the CFT Facilitator will contact the DCFS Wraparound liaison who was in TDM/RMP to make sure that RMP identified concerns are heard and respected and subsequently reflected in the plan of care. If the child has immediate needs that have to be addressed to insure safety and stability, the Facilitator will arrange for the CFT to provide temporary assistance (via Youth Specialists and Clinicians) based on a Safety Plan which is part of the plan of care and can be modified as needed. Based on these meetings, the CFT will craft an initial inventory of strengths, needs and goals, and identify other potential members of a child and family team (such as an education liaison, TBS staff, etc.). Bringing this group together, the Facilitator will work with them to craft a plan of care to address the unmet needs and help the family begin to achieve some of their goals and move toward connection or reconnection.

If a child's family relationships have been extremely disrupted, the Family Finder will work with the CFT to identify potential family members who can be appropriately invited into a circle of care, or if necessary, work with the assigned child welfare worker to develop an effective concurrent permanency plan reflected in the plan of care. At a minimum, the Family Finder will identify at least one adult who knows and cares about the child and is willing to make a commitment to be an ongoing part of the child's life, even if providing a home and shelter for the child is not possible.

One of the purposes of the Open Doors plan of care is to insure that the effort to address the child's immediate need for a place to live does not undermine but instead supports the broader goals of helping the child achieve permanency, safety and well-being. The Open Doors plan of care references but does not control three other important aspects of the child's service array: group home stay, education and mental health. Because these service systems have their own requirements for documentation, eligibility, service delivery and funding, they will continue to require their own plans: the group home needs and services plan, the individual education plan (IEP) for school, and the individual treatment plan for mental health services. These three plans are developed in parallel with and reflected in the Open Doors plan. The group home needs and services plan is completed by the residential staff per the requirement

of the group home contract. Regarding the IEP, one of the tasks of the Facilitator, with support from an educational liaison, is to insure that effective communication is maintained between the school and the CFT, including having a school representative on the team whenever possible. Lastly, pursuant to a contract with the Los Angeles County Department of Mental Health, the individual CCCP for each enrolled child plan is developed by clinical coordinators at the three lead agencies and may be implemented by the CFT, by individual therapists or counselors from the lead agencies, or by referral for outside services when appropriate.

The Open Doors plan of care is written in the family's words and reflects activities that will be carried out by the CFT (CSW, lead agency staff, by the child and family, by subcontracted community-service agencies, and by informal, voluntary sources of support and assistance). Each activity is tied to strengths and needs, and the activities in the plan and their impact will be tracked to identify progress toward the child and family's goals.

When interventions help, they can be continued or increased and documented in the plan of care. When certain options don't result in improvement, the team can use this information to identify better options for intervention and assistance and modify the plan of care. As progress continues, the plan of care must reflect a plan for transition out of Open Doors. This starts with aftercare and follow-up services and eventually leads to case closure and transition to ongoing sources of support and treatment where necessary to maintain permanency, safety and well-being.

5.2.2 Active Family/Youth Participation: Describe how the service planning process includes active and equitable participation by children, youth and families.

For children and youth in the child welfare system, referral to Open Doors will begin with a TDM/RMP that already has active child and/or family participation. Upon enrollment, a member of the CFT will meet with the child and the family, if available, to find and link with parents, supports and extended family members as appropriate, in order to begin the planning process.

The planning process itself is based on child and family voice. It is not possible to move from the engagement phase to the planning phase unless there is active child and family participation because the planning elements are based on their voice and choice.

Family participation in treatment may manifest in the following ways:

- family involved in all life decisions affecting them
- family access and involvement on the residential unit floor
- having the family cook meals
- frequent therapeutic visitation
- meeting a parent partner at time of child's admission
- parent partner being an integral part of orientation to Open Doors services
- combining staff and parent trainings

5.2.3 Child-Specific Planning: Describe how this process will adapt the RBS program's general services interventions, treatment and support options to address each child's specific unmet needs and those of his or her family.

As noted above, the Open Doors care-planning process is specifically designed to start with the identification of strengths and needs and goals from the perspective of the child and family. This process is the foundation for identification of the initial conditions and unmet needs that are the hidden drivers behind the patterns of harmful and self-defeating behaviors that led to the Open Doors intervention in the first place. Important aspects of transformed service delivery include: identification of key staff who will bridge facility treatment with community treatment, removal of any point systems, accommodation of a non-linear treatment trajectory, and a focus on initial conditions and unmet needs rather than focusing on creating a compliant client. Key service components include, but are not limited to portable therapy, outpatient psychiatry to address underlying diagnoses, healthcare support, as well as customized behavioral interventions tested/practiced in community settings and developed around the culture and strengths of the family.

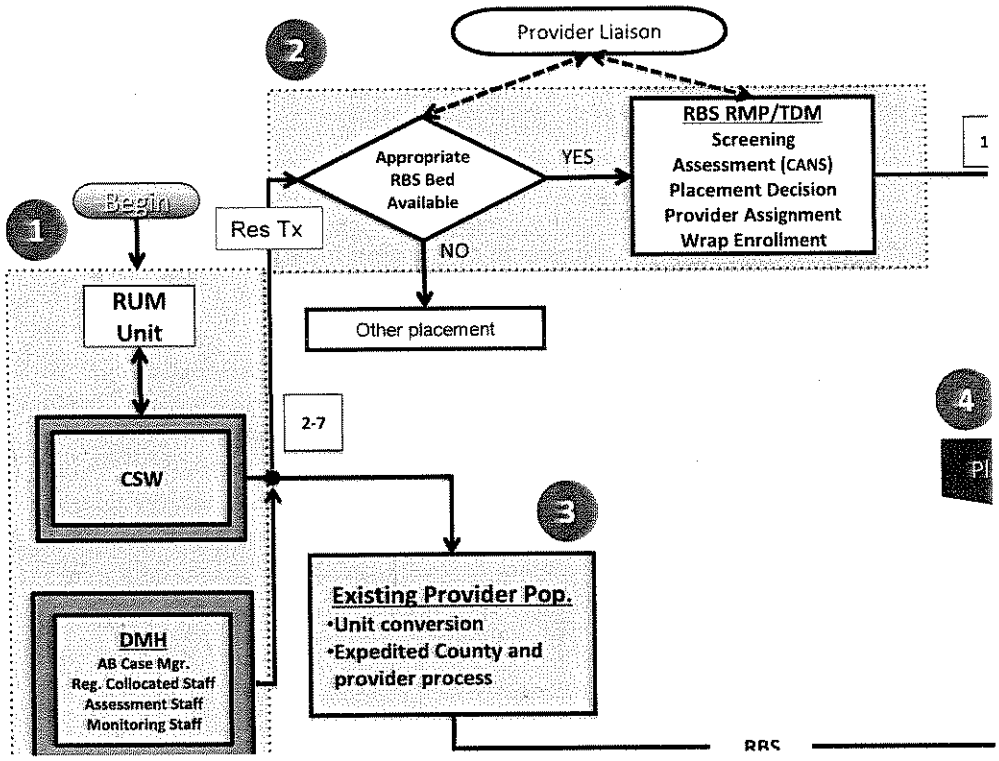
5.2.4 Parallel & Follow-Up Services: Describe how the plans will identify strategies for providing or obtaining parallel services in the home and community to prepare for the return of the child and for delivering follow-up services to maintain the community placement once it occurs.

.At the same time as environmental interventions are being provided during the time a child is living in a residential unit or a treatment foster home to help understand and replace the problematic behaviors that have contributed to (or been generated by) prior disruptions, the bridging staff will be working with the family and community to help them prepare a foundation that will effectively accommodate the child, while reflecting and reinforcing the helping strategies that are being developed by the milieu staff and CFT. The coordination of services and interventions will focus on taking the child to the community rather than on bringing the family to the unit so as to prevent a sense of artificial behavior improvement that can occur inside the structure of the unit but which usually evaporates to varying degrees when community transition occurs.

For children who do not have a reunification destination identified, Family Finding will begin at enrollment into Open Doors. This involves using electronic search engines, mining case files, door-to-door neighborhood search and interviews with the child. The found family will be prepared to receive the child concurrently with the residential treatment of the child as described above.

5.2.5 Flow Diagram: Please provide a diagram or flow chart that clearly illustrates the flow or movement of a particular child through the RBS program.

Residentially Based Services Reform Project
Voluntary Agreement
Los Angeles County Official Submission



5.3 Service Implementation

5.3.1 Services Baseline (*Previously Question 7 of Program Description*): Please indicate the service arrangements that are currently being used to meet the needs of the members of your target population that will form the baseline against which you will measure the changes in system and service design that you will be implementing through your project. This should include the type of services, the service description, the approximate average duration of service involvement, and the locations where these services are being provided.

[see following page]

Residentially Based Services Reform Project

Voluntary Agreement

Los Angeles County Official Submission

Type of Service	Service Description	Average Service Duration	Service Location
Group home placement	Placement in a level 12 or 14 group home	24 months in aggregate (most recent placement). 36 months in aggregate for total GH career.	Throughout the state of California and in other states
Therapeutic Behavioral Services	One-on-one intensive behavioral intervention designed to identify a specific challenging behavior and help a child replace it with a more effective and pro-social alternative	Aggregate average of 2 months per episode; used at by 20%	Can be provided in any setting where the child is living, including group home, foster home, kinship care, or family home
Foster Care	Can include family foster care, intensive treatment foster care, etc.	Aggregate average of 2-12 months or more; used by 10%	Licensed foster homes
Kinship care	Placement with a relative	Aggregate average of 2-12 months or more; used by 10%	Approved kinship care provider
Individual, group and family therapy	Various types of mental health treatment	Aggregate average of 3 hrs per week for 24 mos.; used by 100%	Licensed clinician either on-site or in an outpatient office
Psychiatric consultation and medication management	See the psychiatrist, get prescription, take medication, observe results, change if necessary	Aggregate average of 3 hrs per week for 24 mos.; used by 100%	Psychiatrist sees the child either onsite or at an outpatient offices
Psychiatric hospitalization	Admitted voluntarily or involuntarily	Aggregate average of 2 weeks per episode used by 1-25% of the population depending on RCL-level of provider	Psychiatric hospital

Residentially Based Services Reform Project
Voluntary Agreement
Los Angeles County Official Submission

5.3.2 RBS Program Services: Please provide a detailed description of the services that will be provided for the following Service Categories: (A) = Environmental Interventions, (B) = Intensive Treatment Interventions, (C) = Parallel, Pre-Discharge, Community-Based Interventions, (D) = Follow-Up, Post-Discharge Support & Services. Be sure to indicate whether or not the services are currently being provided.

Service Category	Type of Service	Service Description	Range of Service Intensity	Expected Service Duration	Service Location	New	Current
A	Placement in the residential unit	Stabilization, assessment and respite	Highly intensive, 24/7 care	Average aggregate of 9 mos. (non consecutive) used by 100%	Open Doors Provider mini-campus	X	
A	Foster care	Bridge care provided in a treatment foster home	Moderately intensive, offered throughout the day as needed	Average aggregate of 9 mos., used by 50%	Open Doors Provider FFAs/ITFC homes	X	
B	Intensive therapeutic interventions	Mobile intensive services and treatment driven by the Open Doors plan and the mental health plan of care	Moderately intensive, varying over time, with an average duration of about 5 to 10 hours per week.	Average aggregate of 22 mos., used by 100%	Provided by bridging staff wherever child is currently placed	X	
B	Individual and family counseling and treatment	Evidence-based treatments including ART, PBIS, Chopitra and TF-CBT	Moderately intensive, up to 5 hours per week	Aggregate average of 22 months, used by 95%	Open Doors Provider mini-campus & community settings		X
C	Family engagement and empowerment	Services intended to actively involve the family to participate in the child's treatment including Family Finding	Moderately intensive, up to 3 hours per week	Aggregate average of 22 months, used by 100%	On location with families	X	
C	Family skill-building and support	Individual and peer-based activities to teach the family to manage the child's behavior using natural community supports.	Moderately intensive, up to 3 hours per week	Aggregate average of 22 months, used by 100%	On location with families	X	
D	Follow-up post discharge services	Mobile intensive services and treatment driven by the Open Doors plan and the mental health CCCP	High intensity, up to 16 hours per week	Aggregate average of 12 months, used by 100%	On location with families	X	

5.3.3 Coordination between Facility-Based and Community-Based Services: Describe the coordinating mechanisms that will ensure collaboration between facility-based and community-based services and resources.

A Facilitator hired by the provider will convene a CFT and with the team develop a comprehensive child and family plan of care. This will be a comprehensive plan that coordinates and operates in parallel with the group home needs and services plan, the individual educational plan developed by the school and the individual mental health plan (CCCP) developed by qualified mental health providers. People involved with all elements of the service spectrum for a child and family become part of the CFT as needed and will communicate through the ongoing child and family team meetings, even as the child moves from one environment to another during the course of care.

5.4 Permanency

5.4.1 Describe how the RBS program will include services and strategies for reinforcing, re-establishing or establishing positive and lifelong connections between the child and his/her family, if possible, or with a caring adult in a familial relationship if reconnection within the family cannot be accomplished.

Members of the CFT will engage with the child, existing parent and family supports where ever possible and will use a variety of informal and formal types of assistance, guidance and instruction to help them achieve their goals and meet their needs. This will assist the family acquire the knowledge, skills and understanding needed to increase their ability that will support them to provide a safe, stable and nurturing environment for the child. As a result, the child and the family system develop a new way of working and supporting the process of recovery from the situation, events and interactions that originally contributed to the need for Open Doors enrollment.

The CFT will facilitate the identification and provision of intensive treatment supports across service sites to help reduce the child's behavioral, emotional and mental health issues that have been a part of the family disruption, in the context of the family system. In situations in which DCFS is pursing concurrent planning and developing potential alternative permanent placements, the CFT and Family Finder will work in both settings to help keep communication and options open.[22]

Support for reconnection will be provided by creating opportunities for safe and appreciative interactions between children or youth and their families in places and activities that fit well with child, youth or family culture and preferences (family parties, community resource centers, libraries, churches, parks, etc.).

[22] There will be members of the CFT that provide direct services to the child and the family across environments. However, there may be additional staff providing services who may not attend all CFT meetings but whose activities are documented and communicated to the CFT.

5.4.2 Describe the role and involvement of adoption agencies in your RBS program.

Each of the three providers participating in the Open Doors Project is licensed as an adoption agency. In addition, one of the providers, Five Acres, has a County contract for an Adoption Promotion and Support Services (APSS) program. (I do not now what this is referring to?) When adoption is the concurrent permanency plan or the primary permanency plan for an individual child at enrollment, or when the benefit of using those services arises during enrollment, the Facilitator, in conjunction with the CSW, will insure that this is reflected in the Open Doors plan of care the CFT is working toward that goal.

5.4.3 Describe how you will serve those children and youth who will be unsuccessful at reaching permanency due to lack of family connections, behavioral problems, ageing out, etc.

Although our goal is to have every child in a permanent family home at the end of their enrollment in Open Doors, we recognize that no system will be perfect and that alternative options must be available. First, we will use Family Finding and engagement technology to insure that each enrolled child has multiple, appropriate and ongoing family connections, even if those connections do not lead to placement opportunities. Second, we will work to link youth who are emancipating from alternative care with THPP and THP Plus programs in the communities where they hope to live as they become adults and leave our care systems. For those youth who are not able to enter transitional living programs we will insure that they receive all needed training through the county Independent Living Program well in advance of their turning 18. We will also recruit and support the participation of volunteer mentors to join the CFT, and then to provide any support needed to help that relationship continue on post graduation from the Open Doors System. We are currently analyzing what impact the proposed state legislation extending foster care services to young adults between the ages of 18 to 21 will have on the Open Doors Project.

5.5 Evaluation and Quality Improvement

5.5.1 Data Baseline *(Previously Question 9 of Program Description)*: Describe the current tools and methods that are available for acquiring, analyzing and reporting information about the needs of the children, youth and families in the target population. This will provide the baseline against which you will measure changes in your program's target population.

[see following page]

Data Acquisition Tools	Items Measured	Process or Outcome Indicators
CWS/CMS	Length of stay[23], permanency, safety, well-being, and rates of entry and reentry	Process
CANS	Behavioral acuity, youth and support system strengths	Outcome
Wraparound Measures: Satisfaction (WFI-4, YSS, YSS-F)	Family voice and choice, participation, strengths identified	Process Process
CAFAS	Areas of compromised functioning and clinical improvement	Outcome

5.5.2 Evaluation *(Previously Question 11 of Voluntary Agreement)*: Please indicate the means by which you will gather the information required for the annual evaluation report required by AB 1453 and who will responsible for compiling this information and submitting the report. Please include the names and job titles of these individuals.

Info Gathering Process	Person/Agency Responsible	Timeline
Data collected from providers and QA entities and aggregated.	Michael Rauso - DCFS	Every 6 months.
	Angela Shields - DMH	

5.5.3 [X] Check this box if both the Provider Agency and Placing Agency will be involved in the development of the terms and conditions of the evaluation plan developed by Harder + Company Community Research and the Evaluation Subcommittee. By checking this box and signing this Voluntary Agreement you are agreeing to the terms and research method criteria of Harder + Company Community Research.

5.5.4 Please provide the name and title of the individual(s) who are participants of the Evaluation Subcommittee:
[see following page]

[23] The baseline data described in Section 3.1 came from an earlier data run which looked at an exit cohort of DCFS children who were discharged from an RCL 12 or 14 program in FY 2007-2008. As the work of the CMS Workgroup has matured, a decision has been made to create a new baseline using all children who are in RCL 12 and 14 at any time between July 1, 2007 and February 28, 2009. Progress will be measured using this new baseline.

Agency or Department	Name/Title	Email
DCFS	Tran Ly*	lyta@dcfs.lacounty.gov
DCFS	Kong Ng	Ngk@dcfs.lacounty.gov
DCFS	Lae-In Lee	leel@dcfs.lacounty.gov
DMH	Dave Zippin	dzippin@dmh.lacounty.gov
Five Acres	Bill Shennum*	bshennum@5acres.org
Hathaway Sycamores	Emily McGrath	EmilyMcgrath@hathaway-sycamores.org
Hillsides	Sharon Sharp	ssharp@hillsides.org

***Co-chair**

5.5.5 Quality Improvement: Please describe both the Placing Agency and Provider Agency feedback loops that will be in place to keep staff informed about what is working and not working both with individual families and also at a program level that assists them in developing more effective alternatives.

As noted, we will use four levels of feedback for quality improvement. Firstly at the Open Doors Advisory Group level, RBS system changes will be integrated into and aligned with the larger Los Angeles County systems which address the needs of children and families including but not limited to education, foster care, healthcare, mental health, and juvenile justice. This group will meet quarterly.

Secondly, at the Open Doors Roundtable level, we will bring back data from all the various client feedback systems and formal quality assurance systems on services and progress, the aggregate results of ongoing CANS assessments, and information on youth and family observations and suggestions through the completion of the YSS, YSS-F and focus groups. The Roundtable will use this information to make suggestions to the DCFS/DMH Wraparound Administrations about policy improvement. This group will meet minimally on a monthly basis and more frequently as needed to support the Open Doors Demonstration Project.

At the third level, the Wraparound Operations Group will coordinate the activities of the Wraparound Quality Improvement and Training Sections, ISCs, RUM and OHCMD with fiscal and service utilization reports to better manage the proper distribution of resources across the population in care, make any necessary adjustments in the referral, intake, enrollment and case closure process, and adjust the billing and claiming elements of the Open Doors System.

At the fourth level, the three lead agencies will have rapid feedback about what is working and what isn't primarily through the CANS, six month plan of care reviews and their internal surveillance and data systems. That way it will be easier for the CFT to adjust its services. The provider agencies will communicate their observations and concerns to the Wraparound Operations Group.

Residentially Based Services Reform Project
Voluntary Agreement
Los Angeles County Official Submission

6. IMPLEMENTATION PLAN (*Previously Question 10 of Program Description*) – Please summarize your plan for implementing your program by listing the key implementation activities, the persons or agency responsible for carrying out these activities, and the timeline for accomplishing them. Be sure to address key implementation areas such as policy & procedures, training, communications, provider conversion, quality assurance, etc.

Implementation Category	Person/Agency Responsible	Implementation Activity	Timeline
Contracting	Lisa Parrish-DCFS Michael Rauso-DCFS Paul McIver-DMH Angela Shields-DMH	• Begin Wraparound, and EPSDT contract amendment & RBS MOU development	Jun 2009
		• Contract amendments/MOU to BOS	Aug 2009
		• Contracts/MOU approved by BOS	Sep 2009
		• Contract amendments/MOU signed	Sep 2009
		• First RBS enrollment	Oct 2009
Training	Dana Simpson/DCFS Arthea Larson/Five Acres Debbie Manners/ Hathaway-Sycamores Aaron Zaima/Hillsides	• Begin subcommittee mtgs	Apr 2009
		• Develop social marketing materials/RBS training module	Jul 2009
		• Funding in place	Aug 2009
		• Complete initial training program	Sep 2009
		• First RBS Enrollment	Oct 2009
Facilities/Unit Conversion	Regina Bette/Five Acres Debbie Manners/ Hathaway-Sycamores Aaron Zaima/Hillsides	• RCL-waiver approved	Jun 2009
		• Submit program statements to CCL	Jun 2009
		• CCL Provider Number granted	Aug 2009
		• Children identified and RMPs scheduled	Aug 2009
		• CANS & RMPs completed	Sep 2009
		• Wraparound enrollment completed	Sep 2009
		• First RBS enrollment	Oct 2009
Evaluation	Tran Ly/DCFS Sherman Mikle/DCFS Bill Shennum/Five Acres Emily McGrath/Hathaway-Sycamores Sharon Sharp/Hillsides	• Local Evaluation Subcommittee begins meeting	Apr 2009
		• Outcomes operationalized	Jun 2009
		• Data collection strategy finalized	Jul 2009
		• Unit conversion data to Coord.	Aug 2009
		• First RBS enrollment	Oct 2009
		• First RBS Quality Review (and	Mar 2010

		semi-annually thereafter) • Annual report due	Sep 2010

7. GLOSSARY OF TERMS – Please provide a list of definition of terms and acronyms that may not be known to the general public.

Term/Acronym	Definition
APSS	Adoption Promotion and Support Services
AFDC-FC	Aid to Families with Dependent Children – Foster Care
BOS	Board of Supervisors
CAFAS	Child and Adolescent Functional Assessment Scale
CANS	Child and Adolescent Needs and Strengths Assessment
CAPIT	Child Abuse and Treatment
CARF	Commission on Accreditation of Rehabilitation Facilities
CCCP	Client Care Coordination Plan
CCL	Community Care Licensing
CDSS	California Department of Social Services
CFT	Child and Family Team
COA	Council on Accreditation
CSW	Children's Social Worker
CWS/CMS	Child Welfare Services Case Management System
DCFS	Department of Children and Family Services
DMH	Department of Mental Health
EPHI	Electronic Protected Health Information
FFA	Foster Family Agency
ISC	Inter-agency Screening Committee
ITFC	Intensive Treatment Foster Care

Residentially Based Services Reform Project

Voluntary Agreement

Los Angeles County Official Submission

JCAHO	Joint Commission on the Accreditation of Healthcare Organizations
LAC	Los Angeles County
LATC	Los Angeles Training Consortium
MASD	Multi-agency Services Division
MAT	Multi-disciplinary Assessment Team
MOU	Memorandum of Understanding
NPS	Non-Public School
NREFM	Non-Related Extended Family Members
OHCMD	Out-of-Home Care Management Division
PIP	Program Improvement Plan
QA/QI	Quality Assurance/ Quality Improvement
RBS	Residentially-Based Services
RCL	Residential Classification Level
RMP	Resource Management Process
RUM	Resource Utilization Management
SIP	System Improvement Plan
SPA	Service Planning Area
TBS	Therapeutic Behavioral Services
TDM	Team Decision Making
THP	Transitional Housing Program
THPP	Transitional Housing Placement Program
TIER	Totally Integrated Electronic Record
YMO	Youth Moving On
YSS/ YSS-F	Youth Satisfaction Survey / Family

THIS PAGE
INTENTIONALLY LEFT
BLANK

Residentially Based Services Reform Project
Voluntary Agreement
Los Angeles County Official Submission

Voluntary Agreement - Attachment A
Active Participation in the Development of the RBS Program

Agency/Department	Level of Involvement: High, Medium, Low
DCFS	High
DMH	High
Five Acres	High
Hathaway-Sycamores	High
Hillsides	High
LA Auditor Controller	Low
CCL	Low

RBS Evaluation Terms & Conditions Checklist

The RBS Reform Coalition
RECONNECTING CHILDREN, FAMILIES AND COMMUNITIES
rbsreform.org

Section 5.5.3 of the RBS Voluntary Agreement template references "the terms and conditions of the evaluation plan developed by Harder+Company Community Research and the Evaluation Subcommittee." These terms and conditions are contained in "A Plan for Evaluating California's Residentially Based Services Reform Project (RBS)" dated December 2, 2008 and distributed to members of the RBS Evaluation Subcommittee on December 18, 2008.

This form is designed to document county plans to participate in the evaluation terms and conditions. Please complete the form and submit it as an attachment to your county's proposed Voluntary Agreement document.

Please indicate the RBS participating county represented on this form:

Bay Area Consortium Counties

- ☐ Contra Costa County
- ☐ San Francisco County
- ☐ San Mateo County
- ☐ Santa Clara County
- ☐ Solano County
- ☒ Los Angeles County
- ☐ Sacramento County
- ☐ San Bernardino County

Please indicate who completed this form:

Michael Rauso
Name (please print)

Division Chief
Title (please print)

Los Angeles County Department of Children and Family Services
Agency (please print)

Signature

6/2/09
Date Signed

The following checklist includes each of the key terms and conditions published in "A Plan for Evaluating California's Residentially Based Services Reform Project (RBS)." The location in the plan of the each of the terms and conditions is fully referenced. Please review each of the terms and conditions and check the box in either the "Yes" or "No" column to indicate whether or not the County plans to participate in that term or condition. Any checks in the "No" column must be accompanied by an explanation of the county's alternate plan to address that term or condition of the evaluation.

RBS Evaluation Terms and Conditions Checklist

Key Term/Condition	Location in "A Plan for Evaluating California's Residentially Based Services Reform Project (RBS)"	Will the county fulfill this evaluation term/ condition? Yes	No	If "No" please explain the county's alternate evaluation plan; attach additional sheets as necessary
1. The measurement of the sixteen evaluation mandates specified in the plan.	See Table 2 on page 4. See Appendix A for additional details on each of the mandates including the instruments to be used to measure each.	☒	☐	
2. The use of the versions of the CANS-CW, YSS and YSS-F approved during the October 10, 2008 RBS Evaluation Subcommittee meeting. (San Bernardino County is exempted from use of the CANS-CW and will be using the CAFAS).	See Section III on pages 9-11 for a description of the instruments and how and why they were chosen by the Evaluation Subcommittee. See Appendix A for additional details on each of the mandates including the instruments to be used to measure each.	☒	☐	
3. The use of a select list of CWS/CMS indicators as determined by the RBS Evaluation Subcommittee.	See Appendix A for a description of which mandates will be measured with CWS/CMS data.	☒	☐	
4. The use of a standard data collection interval to be determined and specified by the county. The recommended data collection interval is 90 days; please specify at right the data collection interval the county will employ.	See page 10, the second paragraph below "Estimated Workload Associated with its Use" for a brief description of the data collection interval.	☒	☐	

RBS Evaluation Terms and Conditions Checklist

Key Term/Condition	Location in "A Plan for Evaluating California's Residentially Based Services Reform Project (RBS)"	Will the county fulfill this evaluation term/ condition? Yes	No	If "No" please explain the county's alternate evaluation plan; attach additional sheets as necessary
5. Designating a staff member as the "Local RBS Data Coordinator" to conduct local data coordination tasks including but not limited to orienting local staff to the evaluation and conducting the specific tasks indicated in the evaluation plan. **Please provide contact information for the designated "Local RBS Data Coordinator" in the box to the far right.**	See page 3 for a definition of the "Local RBS Data Coordinator." See page 6 "Local RBS Data Coordinator" numbers 1-6 for the tasks to be conducted. See Appendix B for a Preliminary Timetable of the operationalization of the Local RBS Data Coordinator roles and responsibilities.	☒	☐	
6. The entry of a "special projects" code and start and end dates on the CWS/CMS records of all RBS enrolled children.	See page 3 for a definition of "RBS Participating County Staff." See page 5 "RBS Participating County Staff" number 1. See Appendix B for a Preliminary Timetable of the operationalization of evaluation roles and responsibilities.	☒	☐	
7. Participation in the process of developing valid and reliable cost finding methodologies for the five fiscal outcomes evaluation mandates and then reporting baseline and annual subsequent year cost data using that methodology.	See page 3 for a definition of "RBS Participating County Staff." See "RBS Participating County Staff" numbers 2, 3, 6, and 7 on page 5. See Appendix B for a Preliminary Timetable of the operationalization of evaluation roles and responsibilities.	☒	☐	

RBS Evaluation Terms and Conditions Checklist

Key Term/Condition	Location in "A Plan for Evaluating California's Residentially Based Services Reform Project (RBS)"	Will the county fulfill this evaluation term/ condition? Yes	No	If "No" please explain the county's alternate evaluation plan; attach additional sheets as necessary
8. Participation in one 90-minute qualitative data collection focus group in year one at baseline and then annually in subsequent years.	See page 3 for a definition of "RBS Participating County Staff." See "RBS Participating County Staff" numbers 4 and 8 on page 5. See Appendix B for a Preliminary Timetable of the operationalization of evaluation roles and responsibilities.	☒	☐	
9. Participation in the RBS Evaluation Subcommittee responsible for developing and overseeing the evaluation.	See page 3 for a definition of "RBS Participating County Staff." See "RBS Participating County Staff" number 5 on page 5. See Appendix B for a Preliminary Timetable of the operationalization of evaluation roles and responsibilities.	☒	☐	

RBS Evaluation Terms and Conditions Checklist

Key Term/Condition	Location in "A Plan for Evaluating California's Residentially Based Services Reform Project (RBS)"	Will the county fulfill this evaluation term/ condition? Yes	No	If "No" please explain the county's alternate evaluation plan; attach additional sheets as necessary
10. Ensuring that numbers 2-9 above are included in county contracts with RBS providers to ensure that the providers: a. Administer the required instruments at the required intervals and provide the data to the county. b. Participate in the RBS evaluation activities that require provider participation, including but not limited to: i. Development of provider cost finding methods. ii. Reporting baseline and subsequent year cost outcomes determined using the cost finding methods. iii. Participating in focus groups. iv. Participating in the RBS Evaluation Subcommittee.	See page 3 for a definition of "Staff Designated by RBS Participating Counties." See pages 5 and 6 "Staff Designated by RBS Participating Counties (Providers?)" numbers 1-8 for roles and responsibilities.	☒	☐	

Residentially Based Services Reform Project

Voluntary Agreement

Los Angeles County Official Submission

RBS Program Approval – Signatures of Authorizing Collaborative Participants

-Add as many signatory lines as necessary-

By signing this Voluntary Agreement, you agree to the design and operation of the alternative program and funding model as described in this document. This Voluntary Agreement permits amendments, modifications, and extensions of the agreement to be made, with the mutual consent of all parties and with approval of CDSS, based on the evaluations (described in paragraph (3) of AB 1453), and on the experience and information acquired from the implementation and the ongoing operation of the program.

***County Social Services Agency - DCFS**

Name: Lisa Parrish
Title: Deputy Director
Agency: County of Los Angeles, Dept. of Children & Family Services

Signature 6-2-09 Date

***County Mental Health Agency - DMH**

Name: Olivia Celis LCSW, MP.L
Title: Deputy Director
Agency: County of Los Angeles, Dept. of Mental Health

Signature 6-2-09 Date

***Provider Agency(ies) – Five Acres**

Name: Robert A. Ketch
Title: Executive Director
Agency: Five Acres

Signature 6-2-09 Date

***Provider Agency(ies) – Hathaway Sycamores**

Name: William P. Martone
Title: President / CEO
Agency: Hathaway-Sycamores

Signature 6/2/09 Date

***Provider Agency(ies) - Hillsides**

Name: John M. Hitchcock
Title: Executive Director
Agency: Hillsides

Signature 6/2/09 Date

* Signature required before submittal to CDSS

Residentially Based Services Reform Project
Funding Model
Los Angeles County Official Submission

The RBS Reform Coalition
RECONNECTING CHILDREN, FAMILIES AND COMMUNITIES

Residential Based Services Reform Project

Deliverable Template – FUNDING MODEL

Instructions: The Funding Model lays out the demonstration sites' plan to fund the RBS Program. The primary purpose of the Funding Model Template is to guide demonstration sites in presenting the needed information about their Funding Model in a succinct and organized manner so that CDSS staff can fairly and accurately judge whether the proposed Funding Model meets the basic requirements of Assembly Bill (AB) 1453. An additional purpose is to help the local implementation teams in the sites better understand what the elements of a Funding Model are, so that it is easier for them to construct one to support their approach to implementing RBS.
Nine of the requirements for the Funding Model in AB 1453 are in section 18987.71 d. 2 (A) – (I). (Key points are underlined):

2. ...the director may also approve the use of up to a total of five alternative funding models for determining the method and level of payments that will be made under the AFDC-FC program to private nonprofit agencies operating residentially based services programs in lieu of using the rate classification levels and schedule of standard rates provided for in Section 11462. These alternative funding models may include, but shall not be limited to, the use of cost reimbursement, case rates, per diem or monthly rates, or a combination thereof. An alternative funding model shall do all of the following:

(A) Support the values and goals for residentially based services, including active child and family involvement, permanence, collaborative decision-making, and outcome measurement.

(B) Ensure that quality care and effective services are delivered to appropriate children or youth at a reasonable cost to the public.

(C) Ensure that payment levels are sufficient to permit the private nonprofit agencies operating residentially based services programs to provide care and supervision, social work activities, parallel pre-discharge community-based interventions for families, and follow-up post-discharge support and services for children and their families, including the cost of hiring and retaining qualified staff.

(D) Facilitate compliance with state requirements and the attainment of federal and state performance objectives.

(E) Control overall program costs by providing incentives for the private nonprofit agencies to use the most cost-effective approaches for achieving positive outcomes for the children or youth and their families.

(F) Facilitate the ability of the private nonprofit agencies to access other available public sources of funding and services to meet the needs of the children or youth placed in their residentially based services programs, and the needs of their families.

(G) Enable the combination of various funding streams necessary to meet the full range of services needed by foster children or youth in residentially based services programs, with

Residentially Based Services Reform Project
Funding Model

Los Angeles County Official Submission

particular reference to funding for mental health treatment services through the Medi-Cal Early and Periodic Screening, Diagnosis, and Treatment program.

(H) Maximize federal financial participation, and mitigate the loss of federal funds, while ensuring the effective delivery of services to children or youth and families, and the achievement of positive outcomes.

(I) Provide for effective administrative oversight and enforcement mechanisms in order to ensure programmatic and fiscal accountability.

The final requirement is in section d. 3. (D) of the statute:

(D) Neither the waiver nor the alternative funding model will result in an increase in the costs to the General Fund for payments under the AFDC-FC program, measured on an annual basis. This would permit higher AFDC-FC payments to be made when children or youth are initially placed in a residentially based services program, with savings to offset these higher costs being achieved through shorter lengths of stay in foster care, or a reduction of re-entries into foster care, as the result of providing pre-discharge support and post-discharge services to the children or youth and their families.

Beyond the statutory requirements regarding cost neutrality for state AFDC-FC, there is also an understanding that the RBS demonstration sites will apply equally thoughtful stewardship in the use of EPSDT funds. Essentially, AB 1453 is inviting the demonstration sites to find an innovative approach that will provide improved outcomes for the same or less cost. The design of the Funding Model has five elements or stages:

1. Specify the Program Model: Development of an innovative approach to meeting the needs of children who are now being cared for using long term high level group home placements and their families that is likely to produce better outcomes for the same or less cost.

2. Estimate the Provider Bid: Creation by the providers of a cost estimate for delivering the services that will be included in the RBS package that is based on the new approach (see paragraph 2 (C) above).

3. Prepare the County Budget: Preparation by the county child welfare, mental health and probation departments of a preliminary operational budget for their RBS system that reflects the fiscal realities of the departments and that insures the balanced and equitable utilization required under paragraph 2 (G).

4. Demonstrate Cost Neutrality: Calculation by the local implementation team of a rationale for demonstrating the cost neutrality required by Section 3 (D), above.

5. Agree on a Rate and Payment Protocol: Integration of all these inputs by the local implementation teams into a rate and payment protocol for the RBS system that addresses the various requirements in the statute.

In order for the CDSS reviewers to fairly and accurately assess the funding models that will be submitted, the template will need to reflect all five of these elements in a way that ties them to the AB 1453 requirements.

Revisions: The following information will serve as a guide in helping you identify the changes that were made to the Funding Model Deliverable Template:

Blue Font –the blue font represents new questions &/or sections that have been added to the template.

Residentially Based Services Reform Project
Funding Model
Los Angeles County Official Submission

(Items in Parenthesis) –the items in parenthesis provide a reference back to the specific question in the preliminary Program Description and Voluntary Agreement templates.

Signatory Page – A signatory page was added to the end of the Funding Model and should be signed by a representative from the county social service agency, mental health agency and the private non-profit agencies.

Reference Material: Please be sure to reference the AB 1453 enacted legislation, and the 'Framework for a New System of Residentially-Based Services in California'.

Amendments:

June 10, 2009 - Attachments renamed as Attachments 1-4 per CDSS request.

Residentially Based Services Reform Project
Funding Model

Los Angeles County Official Submission

Demo Site:	**Los Angeles County**	Date:	06/03/09
Prepared by:	Michael Rauso Rachel White	Title/Organization:	Division Chief, Los Angeles County DCFS Holarchy Consulting Services
E-mail:	rausom@dcfs.lacounty.gov rwhite@holarchyconsulting.com	Phone:	213-738-2731 714-272-4916

1. Briefly summarize the intervention, services, and support strategies your program model will use to help children or youth and their families enrolled in your RBS system achieve and sustain positive life outcomes.

Open Doors Demonstration Project. The goal of Los Angeles County's RBS Demonstration Project, "Open Doors,"[1] is to shorten timeframes to durable permanency for children who face a residential stay in out of home care. By infusing residential care with Wraparound principles (active family voice and choice, facilitated planning process, care coordination) we will transform the traditional residential milieu into a therapeutic community without walls. This therapeutic milieu combines and transcends the residential facility and Wraparound to create a coherent, seamless arc of care. The intention is to streamline the treatment and stabilization process when a residential stay is triggered (including referral, enrollment and intensive treatment), to provide parallel community-based services, to provide family finding, engagement, preparation and support, and achieve swift reconnection of high-needs youth back to their families and communities with follow-up support.

The Los Angeles Open Doors Project plans to serve approximately 160 children in a two-year period beginning approximately August 1, 2009. At the two-year mark, an evaluation will be done and, depending on the effectiveness of the model, the program will be either extended as is, continued with modifications, or discontinued with a plan to re-integrate the children and families back into a traditional group home model. Only Department of Children and Family Services (DCFS) youth will participate in the Open Doors Project. Youth placed by the Probation Department and AB 3632 children managed by the Department of Mental Health (DMH) will not participate at this time.

[1] The Los Angeles County Demonstration has adopted the preliminary name of "Open Doors" for its RBS Demonstration Project.

Residentially Based Services Reform Project
Funding Model

Los Angeles County Official Submission

The Current Experience with Residential Care and the Wraparound Program.

In July 2003, there were 2,339 Los Angeles foster youth in Rate Classification Level (RCL) group home placements. Around this time, the MacLaren Children's Center emergency shelter had finally been closed. DCFS committed to a series of strategies designed to reduce the number of children in out of home care, especially those placed in group homes. By March 2009, there were 889 DCSF youth placed in these facilities, a stunning reduction of over 60 percent. During this time frame, the number of these youth placed in RCL 10 or higher classified programs rose from 80 percent to 90 percent. By 2009, two thirds of youth in group homes were in RCL 12 or 14 group home placements, reflecting DCFS' intention to stop using lower RCL placements based on the belief that most if not all the youth in them could and would do better in home based settings.

Youth enrolled in Wraparound in Los Angeles have been experiencing higher rates of reunification than those in residential care, even though they have similar scores on the Child and Adolescent Functional Assessment Scale (CAFAS). There have been several prior attempts to apply some of the predominant technologies of Wraparound to the treatment of these residentially based youth and their families. These have included family finding, engagement, and support, centralized care coordination via child and family teams, and shared placement decision making with other county departments. Lessons learned from those efforts, namely the need for residential culture shift and concurrent transformation in funding methodologies, will be applied during the Open Doors Project. Currently, Wraparound rules mandate that we deduct placement costs, including residential treatment, from the Wraparound rate. The Wraparound rate ceases to be paid to the Wraparound provider and the group home rate is paid to the group home provider. Therefore, once a Child and Family Team (CFT) believes that group home placement is necessary for a child, care coordination is most likely suspended and the child and family are handed off to a group home. That group home's program and culture usually requires that its settings be the hub of treatment for the child, as opposed to the CFT and/or the community and family settings. The result is discontinuous care, longer time in group placement than necessary, and lower reunification rates as information gathering, assessment and family support work are replicated.

Establishing a Portable and Transferable Therapeutic Community. The cornerstone innovation contemplated in the Open Doors Project is to transform the traditional residential milieu into an open, portable and transferable therapeutic community. In our model, this open therapeutic community is managed by a multidisciplinary staff team, the CFT. The therapeutic milieu, although anchored initially in the residential facility, can be immediately and seamlessly exported by the CFT to the family and community settings with a focus on returning the child to family with intensive supports, including traditional Wraparound, as quickly as it safe to do. In those settings, the same team maintains safety and treatment continuity by employing the same support approach as it would in the facility. The CFT essentially functions as vehicle for two-way transfer of learning by bringing the family and community supports into the residential milieu, and the therapeutic community to the family and community setting – a truly "family

centered" approach. In this respect, we are going beyond "family friendliness" or "family inclusion" which only goes so far as to bring the family and community into the residential facility. This concept of a "milieu without walls" is established by having staff that can transfer the approaches, structured relationships, and perspectives of the therapeutic community established in the residential facility to the people who make up the family and community environments in which the youth will be living. The model has the ability to not only help a child stabilize his or her behaviors in the facility, but to transfer that new social support context to the family and community environments as soon as safely possible, so that the child and family can begin practicing skills acquisition in 'natural and familiar' as opposed to 'artificial and institutionalized' settings.

Alternative Funding Model. Under the Open Doors Demonstration Project, a child becomes enrolled in a treatment program spanning many types of placement settings. To achieve this portable and transferable therapeutic community, Open Doors will establish a new two phase (residential and community) series of case rates for the arc of care, allowing the formation of a Wraparound-like CFT and presuming the CFT will provide services during and after the residential stay until the child and family have established a natural support network, been linked to ongoing community services and can graduate from the Demonstration Project. The enrollment is funded in the following way: 1) The Open Doors providers will be paid a new monthly RBS case rate of $10,194 (same across providers regardless of former RCL-classification[2]) to provide this new model of residential care, which is only available for a limit of ten months. While the child is in residential care, the new RBS case rate will fund the residential components of board and care traditionally funded by the RCL system, as well as a CFT, family finding, engagement, preparation and support (FFEPS), parallel community based interventions, and flexible services funding (flex funds) to cover contingencies such as crisis stabilization[3]. 2) After a total of ten months of residential care (not necessarily concurrent) have been used or the child is ready to leave residential placement (whichever comes first), the new RBS case rate will convert to the Wraparound Tier I monthly case rate of $4,184 to incentivize providers to reconnect children with and return them quickly to their families and communities. Under specialized circumstances and when approved by the CFT, a child may at some point convert to the Wraparound Tier 2 case rate of $1,250, if this is judged to be an appropriate level of service while they are in the community.

As part of the funding model design to achieve cost neutrality and promote service innovation, a total capitiated limit of $147,314 on an individual child's entire arc of care will be established. This capitated payment limit includes the new RBS case rate and payments covered by Wraparound and other placement costs associated with the child's treatment and care while enrolled in the Open Doors Project.

---

[2] Los Angeles will be submitting a request to replace the RCL-system with a transformed staffing and treatment model and a transformed funding model.

[3] A crisis stabilization episode is a temporary return to the residential facility lasting no more than 7 days and does not count against the 10-month limit for the residential rate. After 7 days, the episode will be considered a return to residential treatment and will count against the 10-month limit imposed on residential care.

Residentially Based Services Reform Project
Funding Model

Los Angeles County Official Submission

Waiving the RCL System. For the selected provider units, the RCL system will no longer apply so that all Open Door residential beds (formerly RCL 12 or 14) represent a single high needs level of care in which intensive individualized assessment, planning, services and supports follow a youth regardless of placement setting. Los Angeles County has attached a Waiver Request to waive conforming to the RCL system for the residential beds proposed in this demonstration project and proposing Open Doors as the alternative model. The Voluntary Agreement lays out a transformed staffing and treatment model for Open Doors supported by the funding methodology outlined here in the Funding Model.

2. Describe the calculations used by the providers to estimate the reasonable costs of delivering the package of services that will be incorporated in your RBS system. Please fill out Attachment A – Provider Cost Matrix.

Historically, the providers selected for the Open Doors Demonstration Project have offered residential care to children who were assessed and qualified for RCL 12 and RCL 14 levels of service at the standard State RCL rates for each level of care noted, $5,891 and $6,694 respectively. In addition, these providers also billed an average of approximately $5,000 per month of Medi-Cal Early and Periodic Screening, Diagnosis and Treatment (EPSDT) funds supporting the mental health needs of these children while in residential care. Further, these providers also contracted to provide Wraparound in Los Angeles at a rate of $4,184 per month. (Note: Los Angeles County's Open Doors Demonstration Project is currently designed to only accept children whose needs require a residential placement at the onset of the Open Doors arc of care.)

Los Angeles County and the Open Doors providers have designed the Open Doors program to provide a therapeutic milieu without walls, providing treatment seamlessly across placement settings and the community while integrating the family into the milieu by modeling facilitated planning and replicable interventions. The cornerstone innovation in the Demonstration Project is to transform the residential setting into an open, portable and transferrable therapeutic milieu guided by principles of Wraparound. An effective, mobile community will be created though the establishment of a CFT, which will function as a vehicle for a two-way transfer of learning by bringing the family and community into an open milieu, and exporting the therapeutic interventions back to the community. In this way the family and community will equally participate in a planning process and structured, intentional and replicable interventions focused on returning the child to the home as soon as safely possible. This "milieu without walls" will only end when the family and child agree with the CFT that the supports provided are no longer needed and needed ongoing services are in place.

The design of the Open Doors Project has incorporated lessons learned from the ResWrap pilot which took place in Los Angeles from 2003-2005, and other enhancements to residential practice, such as family finding and support. Four providers who had both residential and Wraparound programs piloted infusing their group homes with the Wraparound process for a targeted group of children and called the project "ResWrap." Each agency began with a unique approach to combining the

two programs, and by the end of the pilot some common lessons were identified. These finding included: the need for a facilitated planning process at the front door that includes informal supports on the team; full participation by the county social worker; full partnership with families; family finding and engagement day one if they are not involved; agreement on the planning and decision making process; the need to address the initial reasons the youth came into care (through strengths and needs identification) in order to reduce the behaviors keeping them in residential settings; and follow-along post discharge Wraparound services to maintain stability in the community. Key elements identified as critical to making this new approach successful in the future were the following: a complete culture change at residential facilities and the county (to a "we are the train, not the station" mentality) including transformational training for everyone involved, ongoing access to flexible funds to truly individualize services to meet needs, and a different rate structure to support the enhanced programming, instead of vice-versa. These are the elements built into the Open Doors design.

Components of Care

The specific service offerings through the Open Doors Demonstration are listed below:

Residential Treatment and Parallel Family Services:

a. Residential Treatment and Care, which includes reasonable costs for daily supervision by staff, treatment, case management, food, clothing, shelter, transportation, operating costs, program administration and overhead. This treatment will be provided in the transformed therapeutic milieu by appropriately qualified staff focusing on seamless, integrated services including parallel community-based interventions. The residential treatment facility also provides crisis stabilization as needed once the child has entered Community Care.

b. Facilitated Planning and Individualized Interventions begin when a youth needs a residential placement, through the assignment of a Child and Family Team (CFT), which includes a team facilitator, a clinician, a parent partner, and a youth specialist as needed. These CFT members assemble to plan and work with the youth and her/his family while in the residential treatment episode, and they will transition and continue to work with the youth and family in the community after the need for a residential placement is over. The primary role of the CFT is to develop the plan of care for the youth and family and provide the open therapeutic interventions in the transformed residential and community milieu. The CFT will continue as long as the youth and family need them, regardless of placement setting.

c. Family Finding, Engagement, Preparation and Support (FFEPS) provides resources for the needs of a child who has become disconnected and for whom no permanency resource has been identified, or is actively involved in planning for their future. FFEPS must be integrated into the treatment plan for these youth. The associated needs and actions to be taken to prepare a home for the child are documented in the plan of care by the CFT. These services may also

be used to prepare an existing family for whom the child is already connected and will return to.

d. Flexible Services funds (flex funds) are available to support the open therapeutic community model on an immediate basis. Funding is accessed through flexible funds available to the CFT to cover the needs of the youth and family not covered by other sources of funding including but not limited to unanticipated costs associated with respite and crisis stabilization, transportation costs, housing assistance, furnishings, employment related services, and special medical costs not reimbursed by Medi-Cal.

Community Care:

e. Wraparound is an integrated, multi-agency, community-based facilitated planning and service delivery process, previously funded through SB 163 and now part of DCFS' Capped Allocation Demonstration Project funds, which will be transformed to support the open therapeutic community model. The service is grounded in a philosophy of unconditional commitment to support families to safely and competently care for their children consistent with the Open Doors design. The single most important outcome of the Wraparound approach is a child thriving in a permanent home and maintained by normal community services and supports. There are two levels of Wraparound service available, i.e. Tier 1 and Tier 2 with different rates and service components for each level. The monthly case rate for Tier 1 is $4,184. The monthly case rate for Tier 2 is $1,250. These case rates are provided as well as appropriate reimbursement from the Department of Mental Health for EPSDT-billable services. These services can also be provided while children are in foster homes, relative caregivers and treatment foster care homes.

f. Bridge Care is offered to children who are ready to live in a family-based setting but whose parents or extended family members are not ready for the child to join them at home. For the purposes of the Open Doors Project, Bridge Care refers to traditional licensed foster homes, kinship care, foster family agency homes and in special circumstances, Intensive Treatment Foster Care homes. While a child in the community is enrolled in Wraparound Tier 1 services, placement costs, i.e. from a foster home setting, are deducted from the Wraparound Tier 1 case rate. Placement costs are not deducted from the Wraparound Tier 2 case rate, which is substantially lower.

g. Intensive Treatment Foster Care (ITFC) is a service for children with serious emotional or behavioral needs who cannot be cared for in a typical foster home setting. ITFC is designed to be flexible and can support the Open Door design. ITFC programs recruit, train and support specialized foster families, who most often take in only one foster child, or as many as two in extenuating circumstances, for example, siblings. These families are very closely supervised and provided with substantial in home support. There are three ITFC providers in LA County, one of which will also be participating in the Open Doors Project. A

child placed in an ITFC home would most likely be enrolled in Tier 2 Wraparound services.

h. Flexible Services funds (flex funds) are available to support the open therapeutic community model on an immediate basis. Funding is accessed through flexible funds available to the Child and Family Team while the child is enrolled in Wraparound to cover the needs of the youth and family not covered by other sources of funding including but not limited to unanticipated costs associated with respite and crisis stabilization, transportation costs, housing assistance, furnishings, employment related services, and special medical costs not reimbursed by MediCal.

The Open Doors program design includes a proposed new RBS case rate of $10,194 per month for residential services. (See Section #14, Provider Cost Spreadsheet for Sections #2 and 3, at the end of this document for details concerning provider costs for all care.) A key facet of the new funding model is the full resourcing of frontloaded services to support the open therapeutic community model when a child is in residential services. One way to think about this new monthly case rate, is to compare it to a RCL 13 rate of $6,294 plus an additional $3,900 in reimbursement for additional services of the CFT, FFEPS and flexible funds. As shown on the Provider Cost Spreadsheet, this case rate is the average monthly cost per child to provide highly individualized services. Some children's individual costs may exceed this monthly average, others may fall below it. We have chosen the RCL 13 rate as an analogy because our partners are RCL 12 and 14 providers. Utilizing this new RBS case rate requires a waiver from the California Department of Social Services to replace the current RCL system with a new set of fiscal polices and regulations for the residential portion of the funding model, which they are authorized to grant under AB 1453, and which Los Angeles County has requested. .

The Wraparound Tier 1 case rate was originally developed based on cost estimates and has been effect since 2006. In late 2007 DCFS and DMH collected actual expenditures data from all contracted Los Angeles Wraparound providers, and determined that the rate was consistent with average monthly allowable expenditures. The Wraparound Tier 2 case rate will be available beginning May 1, 2009, and is based on cost estimates developed by a Work group including providers.

Table 1 below shows the Open Doors rate structure and the nominal length of stay anticipated for each component of service. The notes following the table detail the specifics of each type of care, the parallel nature of some of these services, and how LAC intends to distinguish the financial nuances between residential care, and community care.

Residentially Based Services Reform Project
Funding Model
Los Angeles County Official Submission

Table 1 Monthly Cost of Open Doors Care[1, 10]

1. Residential Care[2, 3, 4] a. Residential Care and Treatment b. Child and Family Team c. Family Finding, Engagement, Placement and Support (FFEPS) d. Flexible Services	≤ 10 (9 mos is the planned avg. stay)	$10,194	Title IV-E Maint. & Admin. and State AFDC-FC & Admin.	▪ See 14. Spreadsheet for Items #2 and 3 at the end of this document
2. Community Care a. Tier 1 Wraparound[5, 9] b. Tier 2 Wraparound[5, 9] c. ITFC[10] d. Respite[6] e. Bridge Care[7] f. Flexible Services g. Crisis Stabilization[2, 3, 4]	≤ 12 -- -- -- ≤ 30 days -- -- ≤ 7 days	 $4,184 $1,250 $4,476 See note 6 ≤ $4,476	Title IV-E Maint. & Admin. and State AFDC-FC & Admin.	▪ Tier 1 costs used for planning purposes throughout ▪ Maximum ITFC rate used for planning purposes ▪ Respite included in Wrap ▪ Flexible Services are part of the appropriate Comm. Care rate ▪ Crisis Stabilization is included in the Open Doors residential rate
3. **Mental Health Services**[8]: a. Residential Care b. Community Care	 ≤ 10 ≤ 12	 $5,000 $2,246	 EPSDT EPSDT	See 14. Spreadsheet for Items #2 and 3 at the end of this document

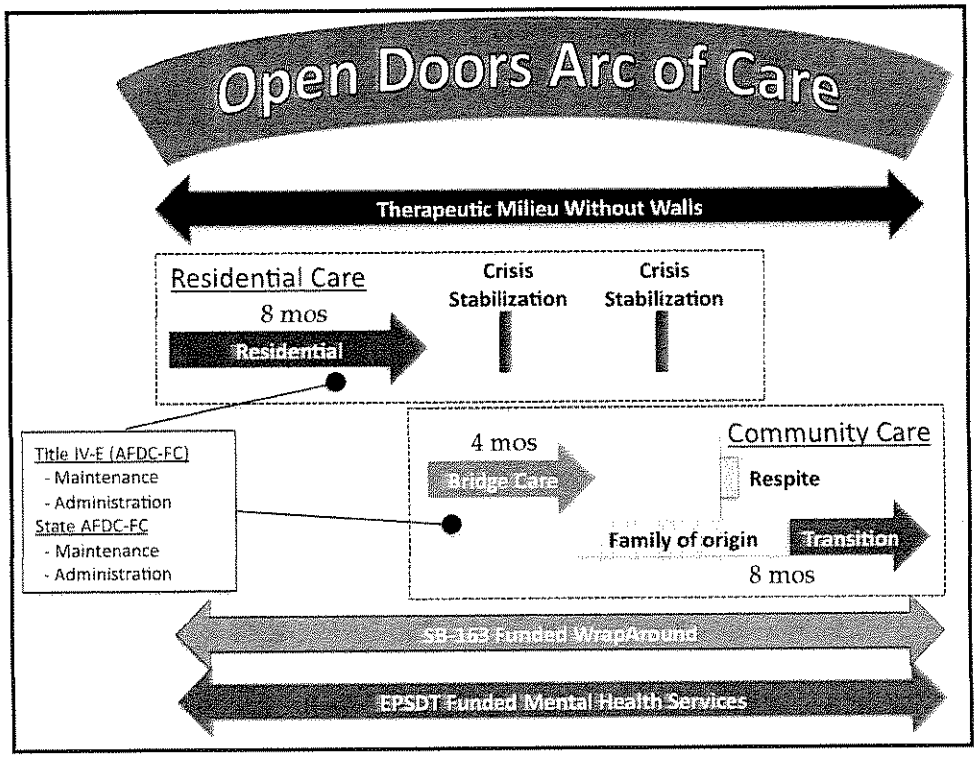
Notes:

1. Both the initial reconciliation and the State cost neutrality period for the Demonstration are 24 months.
2. Residential treatment paid at $10,194 is limited to a total 10 months with an expected average of 9 months as needed over the arc of care and includes Crisis Stabilization. During this time, parallel Wraparound services will be integrated into the residential treatment milieu and augmented with FFEPS where needed to support the child's permanency goals.
3. In cases where a child returns to Residential Treatment for Crisis Stabilization and the stay exceeds 7 days, the placement will become a Residential Treatment episode and the rate will be $10,194/mo. beginning at day 8. (See item #4 below.)
4. If the total time for all stays in residential treatment exceeds 10 months, then the provider will be paid the Tier 1 Wrap rate of $4,184 minus foster care placement costs for the remainder of the arc of care whenever the child is in residential treatment. The exception is for Crisis Stabilization, which s provided for in the Open Doors residential rate of $10,194/mo.
5. Tier 1 or 2 Wraparound will be offered throughout the Open Doors episode following Residential Care. The degree to which Tier 2 occurs is still being determined, and the Tier 1 cost of $4,184/mo has been used throughout the funding model.
6. Respite will be offered via some form of community-based care as determined by the CFT and will be covered at the appropriate Wraparound rate minus foster care placement costs for the 'then in use' child's placement. If the placement exceeds 30 days, then a suitable alternative placement will be determined by the CFT.

Residentially Based Services Reform Project
Funding Model
Los Angeles County Official Submission

7. Bridge Care will be offered to children who are ready to live in a family setting but whose family is not ready for the child to join them in the home and may occur in any of the foster home care settings.
8. Mental health services funded through EPSDT are based upon estimates develop by the Wraparound Administration organization and includes TBS, psychiatry and medication support. EPSDT utilization will be monitored and if a higher level of utilization is demonstrated, the provider's MCA will be raised to accommodate the higher utilization.
9. The LAC Open Doors Demonstration will serve a total of approximately 160 children, and it is projected that 104 Wraparound slots will be used to support Open Doors at any one time. If the residential LOS average is reduced to six months, a total of 156 slots will be used and has been planned for as a contingency but not included in the funding model analysis.
10. A follow-on period of 12 months may be authorized for the Demonstration based on County and the State decisions to be made in 2010-11. It is anticipated that the Director of DCFS will have delegated authority to extend the Demonstration contracts should this occur.
11. See Attachment B at the end of this document for the specific use of federal and State funds by service and activity.

The chart below is a sample arc of care and shows an example of a child and family enrolled in Open Doors. In this example the child has a family of origin that s/he will reunite with, leaves residential and is placed in Bridge Care (either a traditional foster family or ITFC – traditional foster family assumed in the chart), and then returns home and finally transitions out of care. Throughout the arc of care the child and family receives the appropriate level of Wraparound services as offered through Open Doors and EPSDT mental health services.



Residentially Based Services Reform Project
Funding Model
Los Angeles County Official Submission

Open Doors Arc of Care	# Months	Monthly Cost	Total AFDC-FC Payments	Total EPSDT Payments
Residetial Care				
Residential care and treatment	8	10,194	81,552	
EPSDT	8	5,000		40,000
Community Care				
Crisis Stabilization[1] (both episodes)	< 7 days			
Bridge Care	4	4,184	16,736	
Family Care	8	4,184	33,472	
Respite[2]	< 30 days			
EPSDT	12	2,246		26,952
Total	**20**		**131,760**	**66,952**
Notes:				
1) Funded as part of the residential payment while the child in this component of care				
2) Funded from the Community Care payment stream then in use				

An example of the County payments for the treatment and care of the child and family is presented in the table above, and the Federal and State funding streams that make up the County payments are found in Attachments A and B at the end of this document.

Achieving Cost Neutrality and Incentives for Performance

One of the overall goals for the Open Doors Demonstration Project is to achieve and sustain permanency faster and more effectively for children at the high needs end of the foster care system. The following financial terms and conditions have been set by the County and providers to better achieve permanency while 1) protecting cost neutrality interests of the County and State and 2) incentivizing providers to achieve or improve upon the Open Doors Demonstration goals of reducing the length of stay in residential settings and achieving faster permanency for youth who need a residential stay:

a. **Limit on Open Doors Residential Rate Reimbursement**: We have financially incentivized a speedy and safe return of the youth to their family and community by limiting reimbursement at the new RBS case rate of $10,194 for residential stays to total of 10 months over the arc of care. After 10 months of residential care, reimbursement regardless of the placement setting will drop to the Wraparound Tier 1 rate ($4,184), minus foster home placement costs per the Wraparound contract. Joint County and provider analysis indicates this is a safe and appropriate design to test, because additional funding has been added for frontloaded services not currently reimbursed by the RCL system to more fully and rapidly prepare for the child's return to the community. We also acknowledge the research on the possible ill effects of long-term residential stays on youth in the foster care system, and the Demonstration Project's 10 month limitation on reimbursement at the new RBS case rate reflects our hypothesis that residential treatment and crisis stabilization can be accomplished safely and more effectively in shorter periods of time than the current average length of stay for children in the RCL programs.

Note that the residential payment will cover the average actual costs of residential care and treatment, as estimated by the providers in their budget projections. (See Section #14: Provider Cost Spreadsheet for Sections #2 and 3, at the end of this document.) These budget projections were reviewed by the County and found to be reasonable estimates of the costs for services and care included in Table 1 for the Open Doors Project.

b. **Open Doors Outlier Costs**: We have developed a mechanism to financially disenroll a youth for whom extraordinary care costs may arise; this was done to provide "stop-loss protection" for the providers. A subcommittee of the Open Doors Roundtable[4] will determine when a particular youth's Open Doors costs will be excluded for cost reconciliation and neutrality concerning the State, County and providers. Upon excluding these costs, the County will fund all approved care and treatment as may be determined by the appropriate County and provider organizations. However, we intend to continue to report such youth who are financially disenrolled as part of the Open Doors Evaluation. It is understood that we do not anticipate many financial disenrollments, and it is expected that children with extraordinary needs would be identified at referral for the Open Doors Project as inappropriate for the program design. Examples of this could include youth who are referred to a Community Treatment Facility, a locked and highly structured residential treatment setting.

c. **Unexpected Open Doors Case Termination**: In the event a youth's Open Doors Project episode is unexpectedly terminated due a change in jurisdiction and/or disposition (such as Probation, runaway for an extended period or some other permanent but unexpected end to the Open Doors episode), the above mentioned subcommittee will approve the financial exclusion of the youth for cost reconciliation and neutrality concerning the State, County and providers. However, we intend to continue to report such youth as part of the Open Doors Evaluation.

d. **Payment Capitation to Guarantee Cost Neutrality**: This Demonstration will provide financial incentives for reducing residential stays below 10 months and attaining permanency by offering shared rewards within a total individual capitated case reimbursement for an Open Doors episode of $147,314 for each youth. This capitated reimbursement includes all foster care payments made to the provider. The capitated payment level was calculated using the baseline data based on a mix of 36 RCL 12 beds and 16 RCL 14 beds for 24 months. Note that the baseline data indicates that total length of stay for both RCL 12 and RCL 14 children who were in group home placement with the Demonstration providers during FY 2007-2008 was approximately 44 months. The County and State are assured of cost neutrality for the Open Doors Demonstration using this capitated payment system.

[4] This Subcommittee will include senior management from both DCFS and DHM who also are part of Wraparound Administration, a parent partner and an appropriate senior manager from the provider involved in the RBS Demonstration Project.

e. **Performance Rewards for Reducing Residential Length of Stays**: Under this Demonstration Project, providers will share savings generated with DCFS when services provided for an individual youth and family cost less than the capitated reimbursement of $147,314. A cost reconciliation process will be held regularly using a methodology for calculating applicable expenditures and net savings or losses. (See Reconciliation below.) The ratio of shared net savings will be 50:50 and will be limited to savings generated from the Open Doors Demonstration Project. The provider must spend these Open Doors savings on reasonable and allowable child welfare related services. If the there is a net loss by the provider, the provider will bear these losses fully and hold the County harmless. (See Reconciliation below.)

Closing an Open Doors Project Episode

An Open Doors episode ends when the CFT states that 1) the goals in the Plan of Care have been met, 2) the child/family's natural support network is functioning adequately enough to no longer need the high levels of structured professional support Open Doors provides, and 3) the child and family has been appropriately linked to on-going community supports. If a child's Open Doors episode is closed and returns to Open Doors care during the Demonstration Project, this will be treated as a reentry into Open Doors and the associated costs will be included in cost reconciliation and neutrality calculations as appropriate.

Reconciliation

Reconciliation will be conducted as determined by the County and providers. The reconciliation will include the following:

a. Reconciliation will be conducted for each Demonstration provider and financial analysis will be limited to analyzing payments for: 1) the exhort cohort and 2) children in care for 24 months during the first 24 moths of the Demonstration. If the decision is made to extend the Demonstration beyond the initial 24 months, then the County and the Open Doors providers will revisit the terms and conditions of reconciliation for the next Open Doors Demonstration period as needed.

b. The reconciliation will consider Federal Title IV-E Maintenance and Administrative payments and State AFDC Maintenance and Administrative payments incurred by the County and provider in the Open Doors Demonstration Project. (Note: Los Angeles County is a Title IV-E Waiver County and as such State cost neutrality is already assured.)

c. For the first 24-month period of the Open Doors Demonstration Project, the maximum average child payment limit is $147,314 and is computed for all Open Doors foster care received throughout the 24-month period. Note that the

residential payment of $10,194 is limited to 10 months and all further care will be paid at the Tier 1 Wrap rate of $4,184, which ensures the provider's Open Doors payments will not exceed the $147,314 limit. In the event the actual Open Doors related costs incurred by the provider exceeds this limit, the provider will bear those costs in full without further consideration from the County.

d. If the reconciliation indicates that a net savings for average payments per child over the reconciliation period of 24 months have been achieved, the County and the provider will share these savings on a 50:50 basis. The provider must use their share of the savings on reasonable and allowable child welfare related services.

e. As noted earlier in the section titled, Achieving Cost Neutrality and Incentives for Performance, special consideration will be given to 1) children whose care requires exceptional financial support as determined by a subcommittee of the Open Doors Roundtable, or 2) Children whose Open Doors episode unexpectedly terminates. These children will be removed from the reconciliation.

f. It is anticipated the Open Doors RBS case rate will be reviewed as part of the Cost Neutrality analysis to determine if the rate needs to be adjusted for the next reconciliation period, should the Demonstration be extended beyond 24 months. (See Cost Neutrality below.)

g. See Open Doors Payment Reconciliation Example at the end of this document for a simplified reconciliation example of a 10-bed provider.

Cost Neutrality

In July 2007, Los Angeles County entered into an agreement with the State to become part of the Title IV-E Waiver Capped Allocation Demonstration Project, under which State cost neutrality is assured since the State Allocation is capped for five years. However, every reasonable attempt has been made to demonstrate how the County would appear as a non-Title IV-E Waiver county in this funding model including State and County cost neutrality provisions, provider cost estimates, and delineation of Federal Title IV-E and State AFDC maintenance and administrative funds, and other funding streams such as SB-163, and EPSDT costs. Table 1. Monthly Cost of Open Doors care, the Provider Open Doors Cost Spreadsheet, and Attachments A and B are examples where this effort is clearly evident.

In general terms noted throughout this document cost neutrality has been taken into consideration as follows:

a. A payment capitation limit of $147,314 for all costs associated with a child's Open Doors episode has been established and is discussed under Reconciliation. This limit ensures that the payments that would have been paid to the Open Doors provider previously under the RCL system cannot be exceeded in the Open Doors Demonstration.

b. Financial incentives to reduce residential says in Open Doors have been provided as previously discussed under Achieving Cost Neutrality and Incentives for Performance. The strategies and incentives included there drive the fundamental design for achieving cost neutrality, i.e. reducing the residential length of stay for children currently in RCL 12 and RCL 14 care. Children placed with the Demonstration providers during FY 2007-2008 had a total average residential length of stay of approximately 44 months, and Open Doors has targeted and incentivized that length of stay not to exceed 10 months.

c. Finally, should the Open Doors Demonstration Project proceed beyond 24 months, the County and providers have agreed to analyze actual residential expenditures for the beds in the Demonstration Project compared to the proposed $10,194 RBS case rate. This effort, as noted below, will ensure the County and providers use prudent accounting practices and actual and reasonable cost data to establish a new Open Doors RBS case rate should one be called for.

Open Doors Future Residential Rate Setting and Underspending Refunds

General concepts for reviewing and establishing a reasonable Open Doors residential cost per child will be conducted as noted below. Further should the Open Doors Demonstration be extended beyond 24 months are noted below. The actual process and mechanisms will be established during the second year of Los Angeles County's Open Doors Demonstration and will involve DCFS, DMH, the Auditor Controller and the providers. It is anticipated that DCFS will request approval from the Board of Supervisors for delegated authority to extend the Demonstration Project for an addition 12 months beyond the proposed 24 month term and modify the Open Doors related contracts in the future as necessary:

a. *Determining the actual average monthly Open Doors residential costs*: At the end of the 24-month Demonstration Project period an auditable expenditure analysis for all reasonable and allowable Open Doors residential costs will be conducted.

b. *Determining a new average monthly Open Doors RBS case rate*: Once actual expenditures are determined as noted in item #a above, a new Open Doors RBS case rate will be determined from the actual reasonable and allowable expenditures to provide Open Doors residential care and services. The County and Open Doors providers will determine the exact terms and conditions for calculating the new RBS case rate jointly once it has been determined that the Demonstration Project will be extended.

c. *Open Doors residential 'under spending' refund*: If cost the analysis noted in item #a above for the actual average monthly costs of Open Doors residential care and services is less than 90% of the $10,194 monthly payment, i.e. $9,175,

then the provider will refund all related residential costs below 90% based upon the rate differential between actuals versus 90% of the payments received. See the following example:

i.	Demonstration period	24 months
ii.	Total number of Open Doors residential beds	20
iii.	Open Doors payment per bed/mo*	$10,194/mo
iv.	Threshold for County refund ($10,194 x 90%)	$9,175/mo
v.	Example for the audited actual average residential bed costs	(-) $9,000/mo
vi.	Difference in actual cost versus the threshold for refund	$175/mo
vii.	**Total Refund to County ($175/mo x 20 beds x 24 months)**	**$84,000**
* 100% occupancy assumed		

Waiver Request

A waiver request accompanies the Voluntary Agreement and Funding Model requesting authority for the residential beds in the Demonstration Project to not conform to the RCL system, and as an alternative to operate the proposed RBS system as designed and to fund it using the methodology outlined in this Funding Model. This Funding Model describes the funding mechanisms that are to replace the pertinent RCL regulations.

3. **Identify the activities and associated funding streams that the county departments that are in collaboration with your RBS system will use to support the service elements that you have included in your package of services. Please fill out Attachment B – Activity Allowability Inventory Worksheet.**

The activities associated with the services provided throughout Open Doors and noted in Table 1 Costs for Open Doors Care are found in Attachment B at the end of this document.

4. **Indicate how the participating county departments will work together to provide effective administrative oversight to insure accountability, efficiency and accuracy in the access and disbursement of these funding streams.**

DCFS and DMH already have countywide systems that are integrated and managed by the fiscal departments serving each County department, and they will be used for child welfare and mental health costs incurred by Open Doors[5]. Further, the Wraparound Administration Group is chartered with overall management, integration and reporting of key data associated with the treatment and funding of services over the Open Doors arc of care for the systems in question. (See Table 2 Open Doors Organization chart below.) Specifics for how Open Doors will be integrated and managed follow:

[5] When the State has determined how the "manual" cost reporting is to be done, the County and the providers will jointly develop a methodology to produce and report costs to the State.

a. Using a team approach with an integrated set of surveillance plans to be developed by Residential/TBS Programs Support, Out of Home Care and DCFS Wraparound Quality and Training Section to ensure oversight is effective, efficient and does not create redundant reviews.

b. Tailoring oversight to address the parallel and innovative nature of the processes deployed including the team staffing concepts imbedded in the treatment systems and associated administrative support required to deliver Open Doors services in a compliant and timely manner. The county and providers will also ensure that all Los Angeles County waiver policies and regulations are fulfilled and met in a compliant manner.

c. The Open Doors Workgroup is made up of key County and provider staff will meet frequently to coordinate the joint operation of Open Doors with a focus on operational needs, opportunities, concerns and issues

d. The Open Doors Roundtable, made up of key community, County and provider membership, will oversee the overall Open Doors Demonstration Project and will make recommendations to the Wraparound Administration Group as appropriate.

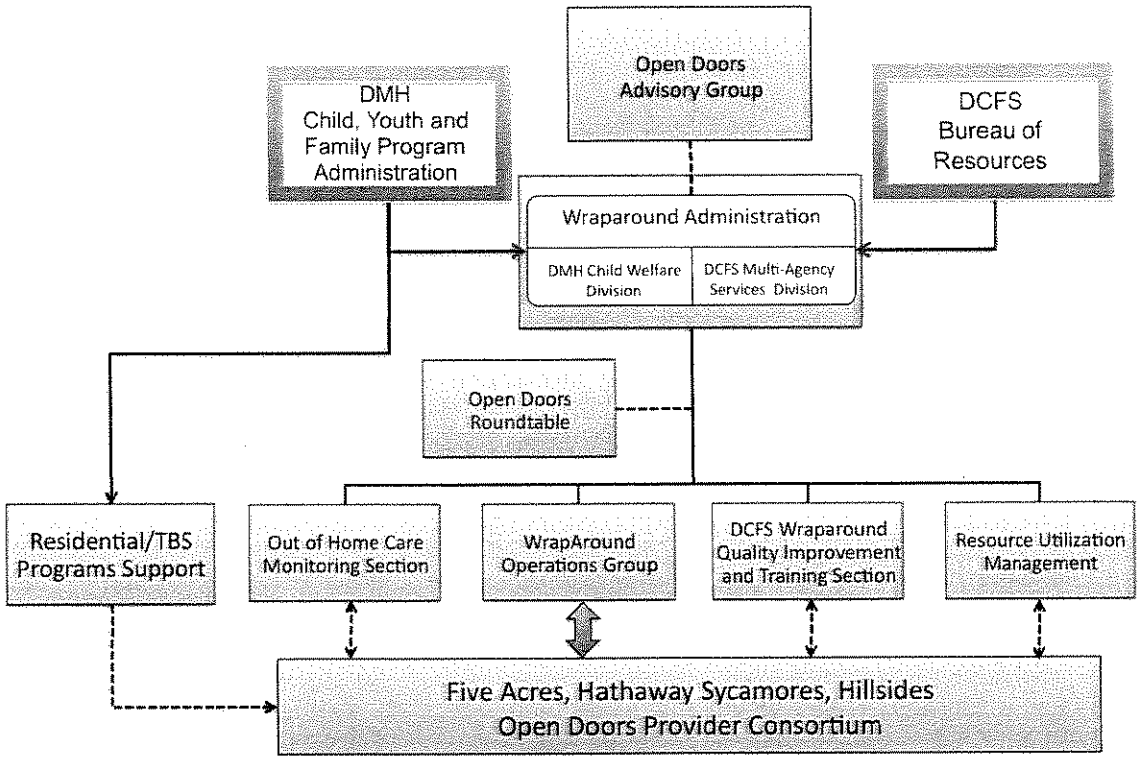
e. The County Auditor Controller, who participated in the review of the County's funding model, will audit the Open Doors Demonstration Project as appropriate.

f. In cooperation with Harder and Company, the County has created a multi-disciplinary team made up of County, provider and consultant staff, called the Open Doors Evaluation Subcommittee, to collect, aggregate and report Open Doors performance including financial data.

Residentially Based Services Reform Project
Funding Model

Los Angeles County Official Submission

Table 2 Open Doors Organization Chart



Note: Dotted lines (----) indicate organizational interfaces or normal compliance and audit interfaces.

5. Describe how providers will be paid in your system. Indicate the rate or rates they will receive, the method for billing, making payments and the documentation that will support billing and payment.

It is anticipated that two payments will made to the providers for residential treatment and care through the normal billing and payment administration for residential and Wraparound care within DCFS. The payments will be: 1) an equivalent RCL 13-like payment of $6,294 per month made through residential billing and payment administration, and 2) a flexible funding payment of $3,900 per month for services not covered by an equivalent RCL 13 rate made through Wraparound billing and payment administration. The total Open Doors monthly payments for residential care and treatment will be $10,194 per month, which is referred to as the new RBS case rate.

Tier 1 and 2 Wraparound payments will be paid through normal Wraparound billing and payment administration within DCFS. Bridge Care payments for foster care setting other than ITFC will be deducted from the Wraparound Tier 1 case rate of $4,184 per month.

Residentially Based Services Reform Project
Funding Model

Los Angeles County Official Submission

ITFC payments will be paid through the normal ITFC billing and payment administration within DCFS. Monthly ITFC payments will be $4,476. (Note: This is a separate AFDC-FC payment stream if not a wavier county.)

EPSDT estimated payments based on an actual billing average of $5,000 per month for residential care and an average of $2,246 for community care will be made through the normal mental health billing and payment administration within DMH. It should be noted that DMH intends to review EPSDT utilization and will raise the providers' Master Contract Amount (MCA) limits to support higher utilization as necessary.

6. **How will your model maximize federal participation and mitigate the loss of federal participation that will occur as a result of decreased length of stay in residential care?**

Since Los Angeles County intends to make every reasonable effort to keep the Open Doors Demonstration Project providers' beds fully occupied, the overall ADFC funding and matching Federal participation overall will not go down from current levels. (Note: Since the RBS case rate of $10,194 is higher than the current AFDC payment per child in residential care, total Federal participation dollars will increase. See Attachment A at the end of this document.)

7. **Funding Baseline (Previously Question 8 of Program Description): Please estimate the cost of care for the members of the target population under the current service arrangements. This will form the baseline against which you will measure changes in funding under your RBS program. For each type of service, indicate the funding source and estimate the average annual per person cost of care.**

In summary, the key assumptions that drive the financial analysis for the current system and the Open Doors project are:

Current System

a. Children who were care with Open Doors providers during FY2007-08 had a total of 44 months in residential care
b. In their most recent placement their current length of stay was 24 months
c. To mirror the characteristics of the children who were placed at the providers who will participate in Open Doors, 36 RCL 12 and 16 RCL 14 beds were summed to develop a composite rate for an equivalent single class of service, yielding a rate of $6,138 per month per child. (See Attachment A at the end of this document.)
d. A 24-month cost neutrality capitated limit of $147,314 was set based upon the composite rate noted in item #c above times 24 months

Open Doors (See Table 1)

a. New residential RBS case rate of $10,194 per month for a maximum of 10 months
b. Community care rate of $4,184 for Tier 1 Wraparound

Residentially Based Services Reform Project
Funding Model

Los Angeles County Official Submission

c. Projected residential stay of a total of 9 months
d. Maximum of 10 months residential care can be provided at the $10,194 rate
e. Tier 1 Wraparound rate of $4,184 for community care with exceptions noted in Table 1 projected for 12 months
f. Incentives and refunds as noted in Section #2

Table 3 below shows the current system baseline data and Open Doors Goals for the financial analysis:

Table 3 Open Doors Service Goals for Financial Analysis[6]

Type of Service	Current Service Description (See Voluntary Agreement for details of Open Doors service offerings)	Average Service Duration	Current Service Location
Group home placement	Placement in a level 12 or 14 group home **Open Doors: Residential Care**	24 months in aggregate (most recent placement). 36 months in aggregate for total GH career. **Open Doors Residential Care LOS Goal: 9 months and the maximum is 10 months**	Throughout the state of California and in other states **Note: This care can occur anytime over the entire 22 month arc of care**
Foster Care	Can include family foster care, intensive treatment foster care, etc. **Open Doors: Community Care**	Aggregate average of 2-12 months or more; used by 10% **Open Doors Community Care LOS Goal: 12 months**	Licensed foster homes **Note: The nominal arc of care for Open Doors is 21 months with a maximum of 22 months**

Table 4 shows the annual costs for the current system of care:

Table 4 Annual Costs for Current System of care

Type of Service	Funding Source	Average Annual cost per client

[6] There are three factors critical to the funding model's level of funding per child: 1) Residential and Wraparound lengths of stay, i.e. a maximum of 10 and 12 months respectively; 2) the provider developed residential rate of $10,194; and 3) the use of the County's current Wraparound system, tweaked for Open Doors, and funded at $4,184 for planning purposes in the funding model.

Residentially Based Services Reform Project
Funding Model
Los Angeles County Official Submission

• RCL-12 Residential	• AFDC-FC	$70,692
• RCL-14 Residential	• AFDC-FC	$80,328
• Mental Health Services	• EPSDT	$60,000 (estimated provider avg.)
• Wraparound	• SB-163	$50,208

8. How will your payment system help to support the values and goals of the RBS system?

The design of this funding model was intentionally created to replace the RCL system with a more effective and efficient payment system to support more comprehensive and flexible family-centered treatment and care. Child-focused, family centered strengths-based practice, which identifies an individualized treatment and services plan based upon careful and comprehensive assessments of a child's underlying needs, is the foundation of the Wraparound program. The new RBS case rate allows this practice model to be established during residential treatment, and to seamlessly transcend the residential setting upon a child's return to the community. This new integrated therapeutic milieu without walls is a flexible system of care that is both family and community oriented. The new payment system allows for the frontloading of services through a staffing model that is unique, flexible and supports the mobile nature of the treatment milieu. The RCL system could not accommodate these treatment innovations and the resulting staffing model. As a result, the Los Angeles County Demonstration Project has decided to seek a waiver to address the staffing, services and funding limitations imposed by the RCL system. (See Section #2, Waiver Summary that accompanies this document.) The comments below address how the values and goals as noted at the beginning of this document were incorporated into the funding model:

a. Support the values and goals for residentially based services, including active child and family involvement, permanence, collaborative decision-making, and outcome measurement.

   i. The philosophy of a "treatment milieu without doors" is funded in both residential and community care. It provides for staffing and milieu mobility and the inclusion of the child and family in the planning and structured milieu process regardless of the setting.
   ii. Significant financial incentives are provided to the provider to ensure that residential treatment and care are focused on reuniting the child with the family in a home setting as soon as safely possible and achieving permanency.
   iii. A child and family team is funded that uses a collaborative decision-making model throughout the arc of care to ensure continuity of care is

provided that is integrated and continuous at all times.

iv. Flexible funds have been established for use by the CFT to address unique child and family needs in a timely manner for both residential and community care.

v. Provisions have been made to provide the child interim care, i.e. Bridge Care, when the child is ready to go home but the family is not yet ready to take the child.

vi. A projected residential budget was developed by the providers and reviewed by the County to ensure that a reasonable RBS case rate was developed to adequately support the transformed residential services provided through the Open Doors Demonstration.

b. Ensure that quality care and effective services are delivered to appropriate children or youth at a reasonable cost to the public.

i. The provider cost analysis discussed in this funding model makes provisions for all parts of the Open Door design including the mobile treatment milieu, CTF, FFEPS and Flexible services. These services are provided throughout the arc of care as needed. In addition, EPSDT services were analyzed and average costs used to project estimated utilization, which will be reviewed and adjusted as needed.

ii. See Section #8.a.vi above.

c. Ensure that payment levels are sufficient to permit the private nonprofit agencies operating residentially based services programs to provide care and supervision, social work activities, parallel pre-discharge community-based interventions for families, and follow-up post-discharge support and services for children and their families, including the cost of hiring and retaining qualified staff.

i. See Section #8.a.vi above.

ii. In addition to the comments above, during the staffing model design consideration was given to how more effectively allocate staff over the arc of care and raising the qualifications for certain key staff. This was done to help ensure the caregiver has a sufficient level of education, training and compensation to achieve the Open Door treatment goals and staffing stability.

d. Facilitate compliance with state requirements and the attainment of federal and state performance objectives.

See Section #9.

e. Control overall program costs by providing incentives for the private nonprofit agencies to use the most cost-effective approaches for achieving positive outcomes for the children or youth and their families.

Residentially Based Services Reform Project
Funding Model
Los Angeles County Official Submission

As noted in Section #2, incentives have been provided to the Open Doors providers to assure that length of stay goals are met or improved upon, including a 10 month limit on reimbursement at the new RBS case rate, and that the County and State are to be held harmless should costs exceed the payment capitation limit per individual child of $147,314. Further, an Open Doors residential cost refund mechanism will be implemented at the end of the 24-month Demonstration period as discussed in item #2; this mechanism eliminates the need to significantly alter the existing County payment systems. (See Sections #9 and 10 below.)

The combination of the provider developed residential costs, Open Doors total capitated payment limit per child and the incentives for providers ensures that the focus is on achieving positive outcomes for the children and their families while maintaining good financial incentives and controls.

f. Facilitate the ability of the private nonprofit agencies to access other available public sources of funding and services to meet the needs of the children or youth placed in their residentially based services programs, and the needs of their families.

The program design of the Open Doors Project relies upon the continued access to reimbursement for allowable billing to Medi-Cal EPSDT.

g. Enable the combination of various funding streams necessary to meet the full range of services needed by foster children or youth in residentially based services programs, with particular reference to funding for mental health treatment services through the Medi-Cal EPSDT program.

As noted Section #2, EPSDT costs are based upon actual usage and DMH intends to review usage and make adjustments as necessary.

h. Maximize federal financial participation, and mitigate the loss of federal funds, while ensuring the effective delivery of services to children or youth and families, and the achievement of positive outcomes.

As noted in Section # 6, the Federal participation is anticipated to increase based upon the $10,194 RBS case rate.

i. Provide for effective administrative oversight and enforcement mechanisms in order to ensure programmatic and fiscal accountability.

The Open Doors Demonstration has several kinds of safeguards and oversight built into it including:

i. QA/QI – County and provider
ii. RBS Round Table operational meetings

iii. RBS Advisory Group reviews
iv. Wraparound Administration oversight
v. Provider fiscal audits
vi. Los Angeles Auditor Controller audits

9. How will your payment system facilitate compliance with state requirements and attainment of federal and state performance objectives?

The design of the County Demonstration is fully aligned with Federal and State safety, permanency, child well-being and financial guidelines. To ensure these guidelines are met as reflected in the Open Doors outcomes, monitoring of the progress of the target population in achieving the Open Doors outcomes has been placed within the scope of the duties and functions of DCFS and DMH as noted in Table 2 through the Wraparound Administration Group, and supported by the appropriate County fiscal organizations, County Auditor Controller, and the Open Doors Evaluation Subcommittee discussed in Section #4.

The payment system supporting the County's Open Doors Demonstration Project is designed to support:

a. Protecting the County, State and Federal Governments financial interests
   i. Cost neutrality for State AFDC-FC payments
   ii. Cost neutrality for the County costs overall
   iii. Maximizing Federal Title IV-E cost sharing
b. Capturing Title IV-E funding for training as appropriate
c. Flexible funding to rapidly meet child and family needs to shorten length of stay in the system and to improve the likelihood of permanency overall
d. Incentivizing and promoting provider innovation and delivery of care that is family and child oriented and occurs in the community as much as is safely advisable

10. Describe how your program will manage fiscal risk. Indicate your methods for providing coverage for exceptional costs due to outlier expenses and for gathering, managing and distributing any temporary surpluses that may be generated through program operations.

As noted in Section #2, various strategies and actions are planned to manage financial risk. Below is a summary of the pertinent Open Doors Demonstration Project features.

a. Payment reconciliation will be held to ensure that all payments are allowable and properly accounted for, including a capitated payment limit of $147,314

per child to be paid for all Open Doors related costs incurred by the providers for the 24-month period of the Demonstration Project.

b. A mechanism has been developed for disenrolling outlier children whose extraordinary needs will have to met above and beyond the capitated payment limit, and whose exceptional costs would otherwise cause significant and unacceptable financial risk to the provider. A Roundtable subcommittee will develop guidelines for identifying outliers, though it is expected that outlier children with extraordinary needs would be identified at referral and designated inappropriate for the Demonstration Project, since this is a test of a new payment system.
c. An Open Doors RBS case rate review will be held to ensure that actual payments made reasonably reflect allowable provider costs incurred.
d. The provider will make a refund to County if the actual Open Doors average monthly residential expenditures are more than 10% lower than the Open Doors RBS case rate of $10,194.
e. The County and providers will be financially incentivized to achieve and share savings from the Open Doors payments made compared to the cost neutrality figure of $147,314 generated through reduced lengths of stay in Open Doors.
f. The Roundtable will provide oversight of Open Doors utilization which will occur at regular intervals to assess overall effectiveness.
g. The County and the providers will perform internal reviews and audits of the Open Doors Demonstration Project.
h. The County Auditor Controller has been involved in reviewing the design of the funding model and will audit the Open Doors Demonstration Project as appropriate.

11. How will your system insure the appropriate use of EPDST funded mental health services while avoiding significant cost increases above that which would have been expended using traditional group home based services for enrolled children?

The Wraparound Administration Group has reviewed and projected EPSDT costs as noted throughout this document. In addition, DMH intends to review Open Doors provider EPSDT utilization and adjust the provider DMH MCA levels to support the Open Doors Demonstration Project as needed. Current guidelines and policies for EPSDT will be amended as needed to support the Open Doors design and County Waiver request. This review will be completed before children are admitted into Open Doors and will be reviewed again as the Demonstration Project proceeds. At this time, no significant impact on County-wide EPSDT usage is anticipated.

12. Provide the rationale and calculations you used to insure that your funding model would not result in an increase in the costs to the General Fund for payments under the AFDC-FC program.

Residentially Based Services Reform Project
Funding Model
Los Angeles County Official Submission

DCFS will provide tracking and reporting of all AFDC Maintenance and Administration payments with respect to the Open Doors population via their existing payment system and the "to be developed State manual claiming system." DMH will do the same as appropriate for all mental health related costs. The Wraparound Administration Group will oversee reporting of these financial data to the State.

Since Los Angeles County is a Title IV-E Waiver Capped Allocation Demonstration Project county, cost neutrally is already assured and costs will not increase General Funds for the State AFDC-FC program. In addition the steps noted in Section #10 ensure that the County will be held harmless, and because Los Angeles County is participating in the Title IV-E Waiver Capped Allocation Demonstration Project, the State and Federal governments have already capped AFCD-FC costs that will be reimbursed to Los Angeles County through June 2012 and so they will be held harmless.

It is also important to note that the County reviewed the budget projections recorded in the Provider Open Doors Cost Spreadsheet and found them reasonable estimates of the costs for services and care included in Table 1 for Open Doors Care. In addition, the Open Doors residential rate review by the County and the "not to exceed cap" of $147,314 ensure that payments will be totally contained within the cost neutrality figure, and that they are reasonable and allowable. Further, the County will seek an Open Doors residential payment refund if actual provider costs are less than 90% of the average Open Doors residential payment per child of $10,194. (See items #2, 4, 5 8, 9 and 10 above and Attachments A and B and the Provider Cost Spreadsheet at the end of this document.)

13. Please include any other information you believe is relevant about your site's funding model that will help us understand how its design meets the requirements in AB 1453.

None at this time.

14. See Attachment 1: **Provider Cost Spreadsheet**

15. See Attachment 2: **Open Doors Payment Reconciliation Example**

16. See Attachment 3: **Attachment A**

Residentially Based Services Reform Project
Funding Model
Los Angeles County Official Submission

17. See Attachment 4: **Attachment B**

Residentially Based Services Reform Project
Funding Model
Los Angeles County Official Submission

THIS PAGE INTENTIONALLY LEFT
BLANK

MOU #10-6020
Attachment I, Exhibit 2 -
Los Angeles RBS Funding Model

Estimated Annual Costs for RBS

2/22/2010 10:20

				Estimated Cost DCFS Funded Services															
				Total AFDC		Services in Residential													
						Group Care		Augmentation Funding							Total				
Description	FTE	Annual Salary		64	Total	16 Group Care		16 CFT		CFS		FFEPE/Flex Funds		Total Augmentation				48 Wrap Around	
			%	FTE	$$	FTE	$$	FTE	$$	FTE		FTE	$$	FTE	$$		FTE	$$	FTE	$$
Residential Group Care																			
Residential Director	0.40	$65,000	100%	0.4	$26,000	0.4	$26,000										0.4	$26,000		
Milieu Supervisor	1.00	$45,000	100%	1.0	$45,000	1.0	$45,000										1.0	$45,000		
Youth Specialists	14.00	$33,500	100%	15.0	$502,500	15.0	$502,500										15.0	$502,500		
On-Call Youth Specialists	3.00	$35,000	100%	2.5	$87,500	2.5	$87,500										2.5	$87,500		
	18.00			18.9	$635,000	18.9	$661,000		-		-		-		-		18.9	$661,000		
Community Services Staff																				
Program Director	1.00	$85,000	70%	0.7	$59,500			0.1	$8,464	0.1	$4,277	0.05	$4,125	0.2	16,866		0.2	$16,866	0.50	$42,634
Clinical Supervisor	1.00	$70,000		0.0	$0									0.0	-		0.0	$0	0.00	-
Clinician	6.50	$50,000		0.0	$0									0.0	-		0.0	$0	0.00	-
Lead	2.00	$48,000	70%	1.4	$67,200			0.2	$8,400	0.2	$8,400			0.4	$16,800		0.4	$16,800	1.05	$50,400
Family Facilitator	6.50	$45,000	70%	4.6	$204,750			1.1	$51,188					1.1	$51,188		1.1	$51,188	3.41	$153,563
Youth Specialist	6.50	$40,000	80%	3.9	$156,000					1.4	$54,600			1.4	$54,600		1.4	$54,600	2.54	$101,400
Family Finding & Engagement	2.00	$40,000	100%	2.0	$80,000							1.5	$60,000	1.5	$60,000		1.5	$60,000	0.50	$20,000
Lead Parent Partner	1.00	$45,000	85%	0.9	$38,250			0.2	$9,563					0.2	$9,563		0.2	$9,563	0.64	$28,688
Parent Partner	6.50	$38,000	85%	5.5	$209,950			1.4	$52,488					1.4	$52,488		1.4	$52,488	4.14	$157,463
Family Crisis Response Team	6.00	$42,000	50%	3.0	$126,000									0.0	-		0.0	$0	3.00	$126,000
Administrative Support	1.50	$36,000	70%	1.1	$37,800		-	0.3	$9,450					0.3	$9,450		0.3	$9,450	0.79	$28,350
	40.50			23.0	$979,450		-	3.3	$139,552	1.6	$67,277	1.5	$64,125	6.4	$270,960		6.4	$270,953	16.57	$708,497
Mental Health Specialty Staff																				
Psychiatric Services	1.00	$150,000			$0									0.0	-		0.0	$0		-
Medical Services Staff	1.50	$45,000	30%	0.5	$13,500	0.3	$13,500							0.0	$0		0.3	$13,500		-
TBS	6.00	$32,000			$0									0.0	-		0.0	$0		-
MHRS Staff/Youth Specialists	9.00	$35,000			$0									0.0	-		0.0	$0		-
	17.50			0.5	$13,500	0.3	$13,500		$0		$0		$0		-		0.3	$13,500		-
Shared Program Support																				
Program Oversite & Supervision				0.0	$40,186		$15,000		$15,000					0.0	$15,000		0.0	$30,000		$10,186
QA/QI Clinician	0.50	$70,000		0.0	$0										-		0.0	$0		-
DMH Billing & Chart Staff	1.50	$33,280			$0										-		0.0	$0		-
	2.00			0.0	$40,186		$15,000		$15,000		$0		$0		15,000		$0	$30,000		$10,186
Total Salaries & Wages	78.00			41.9	$1,668,136	19.2	689,500		$154,552		$67,277		$64,125		$285,960			$975,453	16.57	$718,683
Taxes & Benefits		22.5%			$381,181		155,138		$34,774		$15,137		$14,428		$64,339		0.0	$219,477		$161,704
Total Personnel Cost					**$2,049,317**		**$844,638**		**$189,326**		**$82,414**		**$78,553**		**$350,299**			**$1,194,930**		**$880,386**

MOU #10-6020
Attachment I, Exhibit 2 -
Los Angeles RBS Funding Model

Estimated Annual Costs for RBS

2/22/2010 10:20

Description	FTE	Annual Salary	%	Estimated Cost DCFS Funded Services										
				Total AFDC		Services in Residential						Total		
						Group Care		Augmentation Funding						
				64	Total	16	Group Care	16	CFT	CFS	FFEPE/Flex Funds	FTE Augmentation		48	Wrap Around
				FTE	$$	FTE	$$	FTE	$$		FTE $$	$$	FTE $$	FTE	$$
Direct Client Costs															
Residential Client Costs					$52,608		$52,608					-	$52,608		
Food Services					$96,000		$96,000					-	$96,000		
Flex Fund Expenditures					$375,000						$125,000	$125,000	$125,000		$250,000
Respite Care					$480,000							-	$0		$480,000
Foster Care					$200,000							-	$0		$200,000
					$1,203,608		$148,608		$0	$0	$125,000	$125,000	$273,608		$930,000
		Monthly													
Operating Expenses RBS Residential															
Cell Phones		$40			$11,793		$480		$1,440	$1,440	$480	$3,360	$3,840		$7,953
Conferences & Meeting					$18,000		$2,500		$5,000		$1,500	$6,500	$9,000		$9,000
Facilities/Occupancy		$125			$183,000		$135,000		$4,500	$4,500	$1,500	$10,500	$145,500		$37,500
Insurance		$70			$45,000		$20,000		$3,500	$3,500	$1,000	$8,000	$28,000		$18,000
Mileage		$250			$64,103		$800		$6,000	$4,500	$3,000	$13,500	$14,400		$49,703
Program Eval		$36			$17,396		$8,294		$864	$648	$432	$1,944	$10,238		$7,157
Staff Recruiting & Development		$100			$48,321		$23,040		$2,400	$1,800	$1,200	$5,400	$28,440		$19,881
Supplies & Equipment		$50			$24,161		$11,520		$1,200	$900	$600	$2,700	$14,220		$9,941
Technology/Telecommunications		$125			$46,002		$14,400		$3,000	$2,250	$1,500	$6,750	$21,150		$24,852
Vehicles		$1,000			$24,000		$12,000		$12,000			$12,000	$24,000		
Other					$37,000		$12,000					$0	$12,000		$25,000
					$519,775		$240,134		$39,904	$19,538	$11,212	$70,654	$310,788		$208,987
Total Direct Cost					$3,772,700		$1,233,380		$229,230	$101,952	$214,765	$545,953	$1,779,327		$2,019,374
Indirect Cost			10%		$379,870		$123,338		$22,923	$10,195	$21,476	$54,595	$177,933		$201,937
Total Program Cost					$4,152,570		$1,356,718		$252,153	$112,147	$236,241	$600,548	$1,957,259		$2,221,311
Cost per Client - Annual							$84,795		$15,760	$7,009	$14,765	$37,534	$122,329		$46,277
Cost per Client - Monthly	9 & 15						$7,066		$1,313	$584	$1,230	$3,128	$10,194		$3,856
Collatorative Model - proposed							$8,284					$3,000	$10,194		$4,164

MOU #10-6020
Attachment I, Exhibit 2 -
Los Angeles RBS Funding Model

Estimated Annual Costs

2/22/2010 10:20

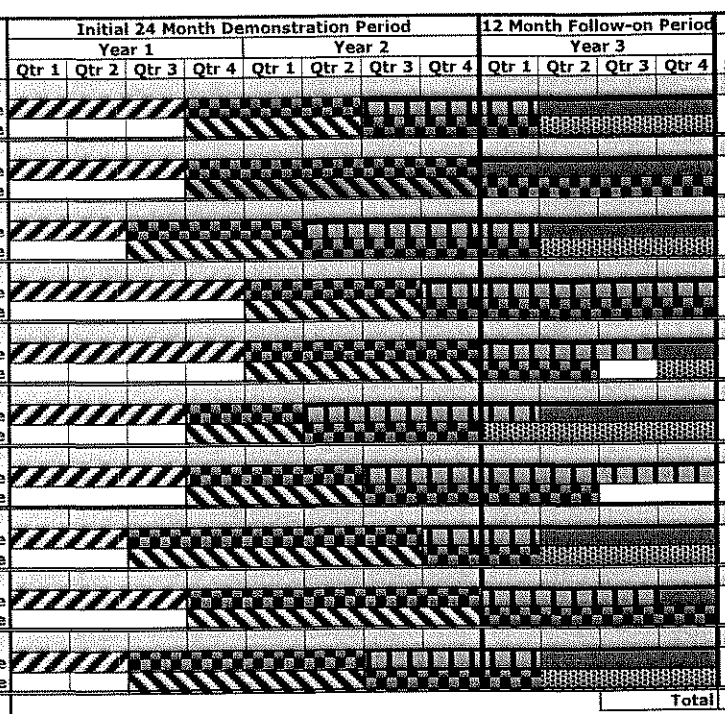
Description		Estimated EPSDT Mental Health Services							
		Group Care		Community		Total			
		16		48		64	Total EPSDT	Program Total	
	%	FTE	$$	FTE	$$	FTE	$$	FTE	$$
Residential Group Care									
Residential Director								0.40	$26,000
Milieu Supervisor								1.00	$45,000
Youth Specialists								15.00	$562,500
On-Call Youth Specialists								2.50	$87,500
								18.50	$635,000
Community Services Staff									
Program Director	30%	0.08	$6,375	0.23	$19,125	0.30	$25,500	1.00	$85,000
Clinical Supervisor	100%	0.40	$28,000	0.60	$42,000	1.00	$70,000	1.00	$70,000
Clinician	100%	2.60	$130,000	3.90	$195,000	6.50	$325,000	6.50	$325,000
Lead	30%	0.24	$11,520	0.36	$17,280	0.60	$28,800	2.00	$96,000
Family Facilitator	30%	0.78	$35,100	1.17	$52,650	1.95	$87,750	6.50	$292,500
Youth Specialist	40%	1.04	$41,600	1.56	$62,400	2.60	$104,000	6.50	$260,000
Family Finding & Engagement								2.00	$80,000
Lead Parent Partner	15%	0.06	$2,700	0.09	$4,050	0.15	$6,750	1.00	$45,000
Parent Partner	15%	0.39	$14,820	0.59	$22,230	0.98	$37,050	6.50	$247,000
Family Crisis Response Team	50%	1.20	$50,400	1.80	$75,600	3.00	$126,000	6.00	$252,000
Administrative Support	30%	0.18	$6,480	0.27	$9,720	0.45	$16,200	1.50	$54,000
		6.97	$326,995	10.56	$500,055	17.53	$827,050	40.50	$1,806,500
Mental Health Specialty Staff									
Psychiatric Services	100%	0.75	$112,500	0.25	$37,500	1.00	$150,000	1.00	$150,000
Medical Services Staff	70%	1.05	$47,250	0.00	$0	1.05	$47,250	1.50	$60,750
TBS	100%	3.60	$115,200	2.40	$76,800	6.00	$192,000	6.00	$192,000
MHRS Staff/Youth Specialists	100%	5.40	$189,000	3.60	$126,000	9.00	$315,000	9.00	$315,000
		10.80	$463,950	6.25	$240,300	17.05	$704,250	17.50	$717,750
Shared Program Support									
Program Oversite & Supervision		0.00	$10,186	0.00	$10,186	0.00	$20,372	0.00	$60,558
QA/QI Clinician	100%	0.13	$8,750	0.38	$26,250	0.50	$35,000	0.50	$35,000
DMH Billing & Chart Staff	100%	0.38	$12,480	1.13	$37,440	1.50	$49,920	1.50	$49,920
		0.50	$31,416	1.50	$73,876	2.00	$105,292	2.00	$145,478
Total Salaries & Wages		18.27	$822,361	18.31	$814,231	36.58	$1,636,592	78.50	$3,304,728
Taxes & Benefits			$185,031		$183,202		$368,233		$749,414
Total Personnel Cost			**$1,007,392**		**$997,433**		**$2,004,825**		**$4,054,142**

MOU #10-6020
Attachment I, Exhibit 2 -
Los Angeles RBS Funding Model

Estimated Annual Costs

2/22/2010 10:20

Description		Estimated EPSDT Mental Health Services						Program Total	
		Group Care		Community		Total			
		16		48		64	Total EPSDT		
	%	FTE	$$	FTE	$$	FTE	$$	FTE	$$
Direct Client Costs									
Residential Client Costs									$52,608
Food Services									$96,000
Flex Fund Expenditures									$375,000
Respite Care									$480,000
Foster Care									$200,000
			$0		$0		$0		$1,203,608
Operating Expenses RBS Reside									
Cell Phones			$2,192		$6,575		$8,767		$20,560
Conferences & Meeting			$1,500		$3,000		$4,500		$22,500
Facilities/Occupancy			$6,849		$20,548		$27,398		$210,398
Insurance			$3,836		$11,507		$15,343		$61,343
Mileage			$13,699		$41,096		$54,795		$118,898
Program Eval			$1,973		$5,918		$7,890		$25,286
Staff Recruiting & Development			$5,480		$16,439		$21,918		$70,239
Supplies & Equipment			$2,740		$8,219		$10,959		$35,120
Technology/Telecommunications			$6,849		$20,548		$27,398		$73,399
Vehicles									$24,000
Other									$37,000
			$45,117		$133,850		$178,967		$698,743
Total Direct Cost			$1,052,509		$1,131,283		$2,183,792		$5,956,493
Indirect Cost			$105,251		$113,128		$218,379		$598,249
Total Program Cost			**$1,157,760**		**$1,244,412**		**$2,402,172**		**$6,554,742**
Cost per Client - Annual			**$72,360**		**$25,925**		**$37,534**		
Cost per Client - Monthly			**$6,030**		**$2,160**		**$3,128**		**$6,554,742**
Collaborative Model - proposed									



	Totals for Initial 24 Month Demonstration Period Analysis						
	Total	#	Total Mos of Care		Total Payments		
	Serve	Counte	Residential	Wrap	Residential	Wrap	Total
Bed 1							
Res. Care	3	1	9		91,746		129,402
Comm. Care				9		37,656	
Bed 2							
Res. Care	2	1	9		91,746		154,506
Comm. Care				15		62,760	
Bed 3							
Res. Care	3	1	6		61,164		111,372
Comm. Care				12		50,208	
Bed 4							
Res. Care	3	1	12		101,940		147,964
Comm. Care				9		46,024	
Bed 5							
Res. Care	2	1	12		101,940		160,516
Comm. Care				12		58,576	
Bed 6							
Res. Care	3	2	15		101,940		173,068
Comm. Care				12		71,128	
Bed 7							
Res. Care	3	1	9		91,746		129,402
Comm. Care				9		37,656	
Bed 8							
Res. Care	3	1	6		61,164		123,924
Comm. Care				15		62,760	
Bed 9							
Res. Care	2	1	9		91,746		154,506
Comm. Care				15		62,760	
Bed 10							
Res. Care	3	1	6		61,164		111,372
Comm. Care				12		50,208	
Total	27	11	93	120	856,296	539,736	1,396,032

1st child in residential bed
1st child in Wraparound
2nd child in residential bed
2nd child in Wraparound
3rd child in residential bed
3rd child in WrapAround
4th child in residential bed
4th child in WrapAround

Maximum Total Payments/Child	147,314
(-) Avg. Total Services Received/Child	126,912
Difference/Child (+ indicates savings)	20,402

Total Savings Realized	224,422
Total County Savings (50%)	112,211
Total Provider Savings (50%)	112,211

Assumptions for analysis:

1 Ten beds are used for the residential component of care.
2 Payment reconciliation occurs for the first 24 months in this example.
3 The Demonstration will be authorized for 36 months, and program termination conditions need not be considered.
4 Residential beds have a 100% occupancy rate.
5 Residential Care and Tier 1 WrapAround are the only two services used in this example. (This does not change the logic for reconciliation.)
6 Sufficient Wraparound slots are available to support the total peak number of slots needed, which is 10 in this example.

Criteria for analysis:

1 Maximum payments allowable per child for RBS care = $147,314.
2 The Residential Care rate = $10,194 for 10 months. This rate = $4,184 after 10 m
3 Wraparound rate used is Tier 1 = $4,184. No limit is placed on the Wraparound L
4 Children counted for reconciliation are: 1) exit cohort and 2) children in care 24 months (11 and 0 respectively in this example)

Definition of 'Exit Chort:'

1 Any child whose Open Doors care terminated in the 24 mo demonstraion period; plus
2 Any child who was in Open Doors care for the entire 24 mo demonstration period.

ATTACHMENT A: RBS Funding Model Cost Neutrality for Los Angeles County County[1]

SECTION 1: ESTIMATING COSTS OF RESIDENTIALLY-BASED SERVICES PROGRAMS

Los Angeles is requesting approval from CDSS for the use of an RBS alternative funding model. The RBS providers use an RBS case rate of $10,194 for residential care and the County approved Wraparound rates for Tier 1 and 2 of $4,184 and $1,250 respectively while in Community Care.

The figures in RED are assumptions, which can be changed, about estimated RBS costs, current estimated average length of stay in group homes for the target population, and percentage of the target population which is Federal Title IV-E eligible.

The figures in BLUE are computed using these assumptions and will be recomputed automatically if the assumptions are changed.

21 Month RBS Program Model, with

9 Months of RBS Group Care, 12 Tier 1 Wraparound - Tier 2 Wraparound

RBS Program Components		A. Average Unit Costs (per month)	B. Percentage of Costs which are Eligible as Federal IV-E Maintenance Payments	C. Average Duration of Service (in months)	D. Average Utilization (percentage of children/ families receiving the service]	E. TOTAL COSTS (per child) A x C x D	E. Costs which are Eligible as Federal IV-E Maintenance B x E
1	Residential (Group) Foster Care and Parallel Family Services						
a.	TOTAL costs	$ 10,194					
b.	Minus unallowable costs (zero)[3]	$ 10,194	93.5%	9	100%	$91,746	85,782.51
2	Family Foster Care @ Tier 1 Wraparound[4]	$ 4,184	93.5%	12	100.0%	$50,208	46,944.48
3	Family Foster care @ Tier 2 Wraparound[4]	$ 1,250	93.5%	-	100.0%	$0	$0
Average Total Costs of an RBS Placement for				21	Months	$141,954	$132,727
Total Costs NOT Eligible as Federal Title IV-E foster care maintenance payments							$9,227
77.9%	Percentage of Children Federal Title IV-E Eligible		Total Federal IV-E foster care maintenance payment funding available:			51,697.16	36.4% of total RBS costs
Net State/County Costs after Title IV-E Reimbursement						$90,257	63.6% of total RBS costs

SECTION 2: ESTIMATING CURRENT COSTS OF TRADITIONAL GROUP HOME PLACEMENTS

Current 2008-09 AFDC-FC Group Home Rates [per month]		Federally-Allowable Portion of AFDC-FC Rate	Costs: Per Child Per Month for a federal Title IV-E Eligible Child: Federal Share @ 50%	State Share @ 40% of Nonfederal Share	County Share @ 60% of Nonfederal Share	Combined State and County Share	
RCL 10	$ 5,092	91.27%	$ 2,324	$ 1,107	$ 1,661	$ 2,768	54.4% of total costs
RCL 11	$ 5,490	91.27%	$ 2,505	$ 1,194	$ 1,791	$ 2,985	54.4% of total costs
RCL 12	$ 5,891	91.27%	$ 2,688	$ 1,281	$ 1,922	$ 3,203	54.4% of total costs
Composite rate[2]	$ 6,294	93.50%	$ 2,942	$ 1,341	$ 2,011	$ 3,352	53.3% of total costs
	$ 6,138	93.50%	$ 2,870	$ 1,307	$ 1,961	$ 3,269	53.3% of total costs

Period (in Months) over which Cost-Neutrality will be Evaluated	24	Percentage of Children Eligible for Federal Title IV-E Payments	70.0%	New Costs/ (Savings) with RBS Program [per child]	Current Distribution of the RBS Target Population among the RCLs	

Current Total Costs for an Average Group Home Placement		Federally-Allowable Portion of AFDC-FC Rate	Current Costs for an Average Group Home Placement: Federal Share @ 50%	State Share @ 40% of Nonfederal Share	County Share @ 60% of Nonfederal Share	Combined State and County Share			
RCL 10	$ 122,208	91.27%	$ 39,039	$ 33,268	$ 49,902	$ 83,169	$ 7,088	0%	-
RCL 11	$ 131,760	91.27%	$ 42,090	$ 35,868	$ 53,802	$ 89,670	$ 587	0%	-
RCL 12	$ 141,364	91.27%	$ 45,164	$ 38,488	$ 57,732	$ 96,220	$ (5,963)	0%	-
Composite rate[2]	$ 151,056	93.50%	$ 49,433	$ 40,649	$ 60,974	$ 101,623	$ (11,366)	0%	-
	$ 147,314	93.50%	$ 48,208	$ 39,642	$ 59,463	$ 99,105	$ (8,849)	100%	(8,849)

RCL-Weighted Average Costs/(Savings) per child: $ (8,849)

RBS Activity Allowability Inventory

RBS Demonstration Site: Los Angeles County

Prepared by: Rachel White | Phone: 714-272-4916 | Email: rwhite@holarchyconsulting.com

This worksheet will allow your RBS demonstration site to: define the activities to be performed, establish how the activity will be funded, and identify who will be performing the activity. Please list all activities that will be performed as part of your RBS Demonstration project. (add lines as needed to describe all RBS activities)

PLEASE LIST ALL ACTIVITIES TO BE PERFORMED UNDER THE APPROPRIATE FUNDING STREA					
TITLE IV-E ACTIVITIES:					
Please list all activities eligible for only Federal Title IV-E reimbursement	New Activity (Yes/No)	Performed In or Out of the RBS Facility	Individual Performing the Activity Title[1]	Agency[2]	Notes
Title IV-E Maintenance Activities:					**Single RBS class for residential**
Child Care and Supervision while in residence	No	In	CCW, CCW Supervisor	Provider	As enhanced by the RBS design
Child Care and Supervision while in community settings	Yes	Out	CCW, CCW Supervisor	Provider	As enhanced by the RBS design
Housekeeping Services (Shared with other campus programs)	No	In	CCW and Housekeeping	Provider	Allocated costs
Food Preparation (Shared with other campus programs)	No	In	CCW and Food Service	Provider	Allocated costs
Physical health monitoring, appt scheduling and medication administration (non	No	In	Nurse, CCW, CCW Supervisor	Provider	As enhanced by the RBS design
Travel time and vehicle costs associated with transporting the child for	No	Out	CCW, CCW Supervisor	Provider	As enhanced by the RBS design
Visitation to family, friends, or other attached adult	No	Out	CCW, CCW Supervisor	Provider	As enhanced by the RBS design
Attendance at community events in preparation for reunification	Yes	Out	CCW, CCW Supervisor	Provider	As enhanced by the RBS design
Medical appointments in community	No	Out	Nurse, CCW, CCW Supervisor	Provider	
Shopping trips for clothing, personal items, etc.	No	Out	CCW, CCW Supervisor	Provider	
Transportation to school and school activities, including child's home school	Yes	Out	CCW, CCW Supervisor	Provider	
Facility repair and maintenance activities (Shared with other campus programs)	No	In	Facility maintenance staff	Provider	Allocated costs
Child Care and Supervision while in "bridge care"					
FFA	Yes	Out	FFA Supervisor & Staff	Provider	As enhanced by the RBS design
ITFC	Yes	Out	ITFC Supervisor & Staff	Provider	As enhanced by the RBS design
Relative Care	Yes	Out	Relative Care Giver	Provider	As enhanced by the RBS design
Preparation of Needs and Services Plan	No	Both	CCW Supervisor	Provider	
Activities related to implementation of Child's Safety Plan	Yes	Both	Supvrs and Staff	Provider	As enhanced by the RBS design
Shared Program Support Activities and Support for					
Program Oversite & Supervision	No	Both	Supvr and Staff	Provider	Allocated costs
QA/QI	No	Both	Supvr and Staff	Provider	Allocated costs
RBS Ttaining					
Provider	Yes	Both	Supvr and staff	Provider	New Federally allowable costs
County	Yes	Both	Supvr and Staff	DCFS/DMH	
Direct Client Services and Support	No	Both	as managed by Supvr & staff	Provider	
Direct Operating Support for Residential Services	No	In	as managed by Supvr & staff	Provider	
Title IV-E Administrative Activities: (Potential options, pending CDSS Review and Approval)					
County Activities and Support for					
Enrollment and Pre-placement Activities	Yes	Both	Wraparound Administration		Parallel Wraparound + expanded RBS design
Case Mgmt and development of the Integrated Plan of Care	Yes	Both	CFT, Supvr and Staff		Parallel Wraparound + expanded RBS design
Development of the Child's Safety Plan	Yes		CFT, Supvr and Staff		
Prepare files for Court and Appear at Court Hearings	No	Both	Wraparound Administration		
Case Management and Coordination	Yes	Both	Wraparound Administration		Parallel Wraparound + expanded RBS design
Child and Family Team	Yes	Both	Wraparound Administration		Parallel Wraparound + expanded RBS design
Program Oversite & Supervision	No	Both	Supvr and Staff		Parallel Wraparound + expanded RBS design
QA/QI	No	Both	Supvr and Staff		Parallel Wraparound + expanded RBS design
Provider					

RESIDENTIALLY BASED SERVICES REFORM PROJECT
FUNDING MODEL

Please list all activities eligible for only Federal Title IV-E reimbursement	New Activity (Yes/No)	Performed In or Out of the RBS Facility	Individual Performing the Activity		Notes
			Title[1]	Agency[2]	
Title IV-E Training Activities					
Training - Providing Ongoing Training for RBS stakeholders for IV-E	Yes	Both	xxxxxxxx	xxxxxxx	
STATE AFDC-FC ACTIVITIES:					
Please list all activities/services eligible for only State AFDC-FC reimburseme	New Activity (Yes/No)	Performed In or Out of the RBS Facility	Individual Performing the Activity		Notes
			Title[1]	Agency[2]	
State AFDC-FC Maintenance Activities:					
Case Mgmt and development of the Integrated Plan of Care	Yes	Both	CFT, Supvr and Staff	Provider	
Development of the Child's Safety Plan	Yes	Both	CFT, Supvr and Staff	Provider	
Family Finding	Yes	Both	CFT, Supvr and Staff	Provider	
Family Engagement and Preparation Services	Yes	Both	CFT, Supvr and Staff	Provider	
Youth Engagement and Preparation Services	Yes	Both	CFT, Supvr and Staff	Provider	
Family Skills and resiliency building	Yes	Both	CFT, Supvr and Staff	Provider	
Supporting family and youth with extended visits and interactions in community	Yes	Both	CFT, Supvr and Staff	Provider	
Locating and engaging natural supports in community	Yes	Both	CFT, Supvr and Staff	Provider	
Provide flexible funds to address unque child and family needs	Yes	Both	CFT, Supvr and Staff	Provider	
Shared Program Support Activities for					
Program Oversite & Supervision	No	Both	Supvr and Staff	Provider	
QA/QI	No	Both	Supvr and Staff	Provider	
Child and Family Team Activities and Support	Yes	Both	Supvr and Staff	Provider	
County Activities and Support for					
Enrollment and Pre-placement Activities	Yes	Both	Wraparound Administration	DCFS	
Case Mgmt and development of the RBS case plan	Yes	Both	Wraparound Administration	DCFS	
Prepare files for Court and Appear at Court Hearings	No	Both	Wraparound Administration	DCFS	
Case Management and Coordination	Yes	Both	Wraparound Administration	DCFS	
Child and Family Team	Yes	Both	Wraparound Administration	DCFS	
Program Oversite & Supervision	No	Both	Supvr and Staff	DCFS	
QA/QI	No	Both	Supvr and Staff	DCFS	
State AFDC-FC Administrative Activities:					

RESIDENTIALLY BASED SERVICES REFORM PROJECT
FUNDING MODEL

Please list all activities eligible for only Federal Title IV-E reimbursement	New Activity (Yes/No)	Performed In or Out of the RBS Facility	Individual Performing the Activity: Title[1]	Individual Performing the Activity: Agency[2]	Notes
Supervision of RBS	Yes	Both	County Plcmnt Staff	DCFS	
Administrative support for RBS	Yes	Both	County Plcmnt Staff	DCFS	
Attending Child Care Coord. Team Meetings	Yes	Both	County Plcmnt Staff	DCFS	
TITLE XIX - EPSDT ACTIVITIES:					
Please list all activities/services eligible for only Title XIX-EPSDT reimbursem	New Activity (Yes/No)	Performed In or Out of the RBS Facility	Individual Performing the Activity: Title[1]	Individual Performing the Activity: Agency[2]	Notes
Assessment	No	Both	Qualified MH and Staff	Provider	
Plan Development	No	Both	Qualified MH and Staff	Provider	
Individual, Group and FamilyTherapy	No	Both	Qualified MH and Staff	Provider	
Collateral	No	Both	Qualified MH and Staff	Provider	
Targeted Case Management	No	Both	Qualified MH and Staff	Provider	
Individual and Group Rehab Services	No	Both	Qualified MH and Staff	Provider	
Medication Support	No	Both	Qualified MH and Staff	Provider	
Crisis Intervention	No	Both	Qualified MH and Staff	Provider	
Therapeutic Behavioral Services	No	Both	Qualified MH and Staff	Provider	
MHSA ACTIVITIES:					
Please list all activities/services eligible for only MHSA reimbursement	New Activity (Yes/No)	Performed In or Out of the RBS Facility	Individual Performing the Activity: Title[1]	Individual Performing the Activity: Agency[2]	
None Planned					
ADP ACTIVITIES:					
Please list all activities/services	New Activity (Yes/No)	Performed In or Out of the RBS Facility	Individual Performing the Activity: Title[1]	Individual Performing the Activity: Agency[2]	Funding Stream
No new ADP, current systems used as is					
EDUCATIONAL ACTIVITIES:					
Please list all activities/services	New Activity (Yes/No)	Performed In or Out of the RBS Facility	Individual Performing the Activity: Title[1]	Individual Performing the Activity: Agency[2]	Funding Stream
Services as Outlined in Child's IEP	No	Out	Qualified MH and Ed. Staff	Provider	County Education and EPSDT
OTHER/ALTERNATIVE FUNDING:					
	New Activity (Yes/No)	Performed In or Out of the RBS Facility	Individual Performing the Activity: Title[1]	Individual Performing the Activity: Agency[2]	Funding Stream
Placement In Transitional Housing	Yes	Out	Transitional Housing Staff	Provider	State General Fund
BRAIDED FUNDING ACTIVITIES:					
Please list all activities/services eligible for Braided Funding reimbursement	New Activity (Yes/No)	Performed In or Out of the RBS Facility	Individual Performing the Activity: Title[1]	Individual Performing the Activity: Agency[2]	Percent of each Funding Stream[3]
Please note: your site may not have any activities with braided funding					*EPSDT, IV-E, State AFDC-FC, MHSA*
This model has no braiding					none

RESIDENTIALLY BASED SERVICES REFORM PROJECT
FUNDING MODEL

Please list all activities eligible for only Federal Title IV-E reimbursement	New Activity (Yes/No)	Performed In or Out of the RBS Facility	Individual Performing the Activity		Notes
			Title[1]	Agency[2]	
TRAINING:					
Please list training activities that may be eligible for reimbursement. In addition, please list the target audience and subject matter of the training.	New Activity (Yes/No)	Performed In or Out of the RBS Facility	Individual Performing the Activity		Percent of each Funding Stream[3] *EPSDT, IV-E, State AFDC-FC, MHSA*
			Title[1]	Agency[2]	

[1] Title - this represents the classification of the individual performing the activities. Examples: CWS Social Worker, SPMP, County Mental Health Worker, Parent Partner, etc.

[2] Agency - this should represent the agency that the individual performing the represents. Examples: County Mental Health Agency, School, Provider.

[3] Percent of each Funding Stream - this should indicate the percentage of each funding stream that will pay for each of these specific activities. Example: 50% EPSDT, 50% State AFDC-FC.

[4] Braided funding is when two or more funding streams pay for one activity. Braided streams maintain the direct connection between each funding source.

Residentially Based Services Reform Project
Funding Model

Open Doors Program Approval – Signatures of Authorizing Collaborative Participants

-Add as many signatory lines as necessary-

By signing this Funding Model, you agree to the design and operation of the alternative funding model as described in this document. This Funding Model permits amendments, modifications, and extensions of the agreement to be made, with the mutual consent of all parties and with approval of CDSS, based on the evaluations (described in paragraph (3) of AB 1453), and on the experience and information acquired from the implementation and the ongoing operation of the program.

County Social Services Agency - DCFS
Name: Lisa Parrish
Title: Deputy Director
Agency: County of Los Angeles, Dept. of Children & Family Services

Signature 6-2-09 Date

County Mental Health Agency - DMH
Name: Olivia Celis LCSW, MP.L
Title: Deputy Director
Agency: County of Los Angeles, Dept. of Mental Health

Signature 6-2-09 Date

Provider Agency – Five Acres
Name: Robert A. Ketch
Title: Executive Director
Agency: Five Acres

Signature 6-2-09 Date

Provider Agency - Hathaway-Sycamores
Name: William P. Martone
Title: President / CEO
Agency: Hathaway- Sycamores

Signature 6/2/09 Date

Provider Agency - Hillsides
Name: John M. Hitchcock
Title: Executive Director
Agency: Hillsides

Signature 6/2/09 Date

1. Purpose/Introduction/Qualifications

The purpose of this paper is to document the methodologies used to determine costs as noted in the "Provider Cost" spreadsheet. It is provided in response to CDSS Foster Care Rates and Audits Bureau's (FCARB) requests regarding duty statements and related information as well as non-labor costs. It is intended to be a supplement to the implementation deliverables submitted to CDSS between June and November 2009. The costs and percentages described in this paper represent best estimates based on evolving discussion regarding best practices, prior experience, allowability, CDSS rate change notifications and pending litigation. The conclusion of those discussions may impact the LA County RBS Funding Model. As allowed by AB 1453, LA County's RBS leadership plans to modify the model accordingly during implementation to accommodate those impacts so that the optimal outcomes can be continually achieved for children and families.

Based on several conversations and electronic communications, it intended that this paper would facilitate FCARB's analysis of how the residential rate of $10,194 and the community care rate of $4,184 were determined as noted in the spreadsheet referenced above. Further, once this document is received by FCARB, it is expected that the MOU process can be completed in parallel with any final analysis concerning this paper as may be required.

In addition, the Los Angeles County Open Doors Collaborative submits this paper with the following qualifications:

a. The design and practices associated with Open Doors Demonstration Project have not been tested and the purpose of this pilot is to verify whether the design, practices and associated funding approach/costs are appropriate to achieve the desired outcomes. As we gain experience, it is anticipated that changes in the design, practices and associated costs will occur during the demonstration, which is provided for in AB-1453.

b. As part the effort to design the Open Doors system of care and an associated funding model, a waiver was sought from CDSS to waive the RCL system and replace it with a transformed system of care. The result was in part a funding model that identified the necessary and reasonable costs to provide the transformed arc of care documented in the Voluntary Agreement, which is not based upon a "point system" – instead, the arc of care funding is based upon estimated cost. In accordance with AB-1453, a reasonable and sound attempt (see item 1.d below) was made to "cover all costs" and "maximize" federal participation as directed by CDSS.

c. Los Angeles County is a Title IV-E Waiver County and all State and Federal costs associated with the waiver are fixed, including associated impacts on the State General Fund as a result of Open Doors implementation.

d. The Funding Model costs are a set of composite costs representing the best estimates of the three providers' average projected costs for budgeted line items. What is commonly termed a "rate" is actually the proposed County payment covering the estimated costs above which are associated with delivering the arc of care for Open Doors. The County has reviewed the Funding Model, costs, payments approaches and federal participation in detail and has determined that the funding approach was sound and the associated payments, costs and federal participation were necessary and reasonable given the untested nature of the demonstration at this time.

e. The Funding Model presented to the State is provided for overall approval of estimated cost and approach so that an MOU can be drafted and the pilot can begin to test that approach; each provider may tailor their Open Doors implementation including design, practices, staffing plans, costs as documented in their Program Statements and individual "Provider Cost" prior to and during implementation, approved as necessary by the County. As noted earlier, it is anticipated these initial estimates may change as the Demonstration matures.

f. The general approach to creating and approving a "composite" Voluntary Agreement and Funding Model was reviewed and concurred with by CDSS prior to the first submission of the Voluntary Agreement and Funding Model in June of 2009.

As a result of these qualifications, the Voluntary Agreement (VA) and Funding Model (FM) do not provide a specific basis for auditing Open Doors concerning either the County and/or the providers. Rather, the VA and FM represent the best estimate of the design and cost of an RBS system of care in Los Angeles County resulting from the Collaborative's efforts to design and fund a transformed residentially based services model that meets the intents of AB 1453.

2. Overall Methodology

a. **Proposed staffing plan and costing methodology**:

The proposed staffing positions and associated duties, salaries, etc. were developed by two design teams: 1) The Service Delivery Team (SDT) and Funding Team (FT). These teams were made up of leadership and subject matter experts from the County, providers, consultants including the Local Implementation Coordinators Rachel White and Khush Cooper, John Franz

from Casey Family Programs and Doug Johnson from the California Alliance for Children and Family Services. Submission of deliverables detailing the program and funding approaches resulted in three feedback and discussion sessions attended by all of the above parties and CDSS personnel including but not limited to Will Sanson, Beth Fife and Megan Stout.

The SDT meet over the course of March through May of 2009 to detail design Open Doors, and they used several sources to design the staffing patterns and plans needed to deliver the arc of care associated with the desired outcomes. These included:

- Experiences from the County's current Wraparound program administered by the three RBS providers
- Experiences from the ResWrap pilot conducted in 2004-2005 by one of the RBS providers (Hathaway-Sycamores)
- Professional judgment including projections for staff positions and program features not currently existing but extrapolated from current and/or past experience
- Research material noted in Appendix 1
- The minimum qualifications for staff are based on the requirements stated in the county Wraparound and the Department of Mental Health contracts with providers as well as MediCal billing scope of practice standards. The salaries are based on the most recent ACHSA salary survey from Los Angeles County.

The FT met similarly in parallel with the SDT to develop a funding methodology including provisions for Waiving the RCL system, a two-tiered rate system, reconciliation and an incentive program for rewarding providers if they exceed the Demonstration goals. A consensus process was used to determine the nature of activities to be performed by each staff member for costing purposes. This effort included examining existing costs for like positions, and consideration was given to the unique scope and nature of certain unique Open Doors' positions. Examples of information used to determine estimated average annual salaries included:

- Current provider, county and other cost reports
- Professional judgment including cost projections for staff positions and program features not currently existing but extrapolated from current or past experience
- Wraparound contract
- DMH contract
- ACHSA Salary Survey

b. Evolution of the proposed residential rate

AFDC-FC rate cut: During the process of determining the residential rate as noted earlier, the State implemented a 10% AFDC-FC rate reduction to take effect in October of 2009. A Temporary Restraining Order (TRO) was issued by a federal Court prohibiting the State from implementing the reduction for all Title IV-E eligible children. As a result, the State issued an All County Letter (ACL 09-76) indicating that two rates are to be established for AFDC-FC: one for federally eligible children and one for non-federally eligible children. This matter always impacts cost neutrality calculations and the overall residential rate. The current residential rate is now full restored to its initial value based upon the latest ACL 09-85 concerning the 10% AFDC rate cut. In other words, the rate cut has been removed from the Funding Model spreadsheet and this methodology paper. With the restoration of the rates back to their prior levels, the activities and their costs have been restored. This restoration will be reflected in the attached spreadsheet package and those changes supersede all prior submissions.

- Wraparound: The County and RBS providers believe that it is advantageous and simpler to use the established payment rate for Tier 1 and Tier 2 Wraparound, rather than to develop a new and independent one for the RBS demonstration project since they believe that the activities and their costs will be very similar. (Note: The FM identifies the possible use of ITFC; however, usage is anticipated to be small, and at this time the specifics of its use have not been defined.)

- EPSDT: EPSDT rates were not impacted in this exercise.

- Penetration rate: The estimated penetration rate was determined by the County's fiscal department and re-verified in January of 2010.

- Title IV-E allowability: As agreed to by the Collaborative, Title IV-E allowability was determined in residential by examining Hathaway-Sycamores' current allowability percentage rates and in community care by determining the estimated time spent on AFDC versus non-AFDC activities as discussed in the FT and SDT joint meetings noted earlier. (Note: The first addendum submission includes these calculations for the community care phase.) For the calculation of a composite allowability rate see tab entitled "IV-E Composite" in the attached spreadsheet package. This methodology was suggested by CDSS Fiscal.

- Rate[1] (per slot cost) Calculation Methodology (See 'Provider Costs' tab in accompanying spreadsheet):

[1] Although the word "rate" is being used here for ease of communication with CDSS, the numbers actually represent *average estimated per slot costs*. LAC's Funding Model is an alternative cost-based model, and not one that is rate-based as in traditional group care.

In the Open Doors Funding Model, there are two rates: 1) The newly developed residential rate which is $10,194, and 2) the Community Care rate which is the standard Los Angeles County Tier 1 wraparound rate of $4,184. These rates were developed as noted below. Each cost category was estimated on an annual basis using a 16-bed residential facility and an associated 48-slot Community Care model[2]. As indicated in the spreadsheet, all annual costs were added together and normalized into a 'cost per child per month' rate. The costs were calculated in the spreadsheet using the formula noted in each cell.

Residential:

The residential rate of $10,194 was developed using the Provider Costs tab in the accompanying spreadsheet. As noted in VA, FM, Waiver Request, Addenda and this document, all labor and non-labor costs were estimated based on both annualized actual costs of similar services and on estimated costs of the RBS program design as discussed by SDT.

Community Care:

The Community rate of $4,184 reflects the existing Wraparound Tier 1 rate and is also based on both annualized actual costs of similar services and on estimated costs of the RBS program design. The Community Care cost per child was calculated in the 'Provider Costs' spreadsheet in the same way noted above for Residential.

3. <u>Staffing cost methodology</u> - See item #2.a

a. **Salary**: The salaries were developed as noted in 2.a. These are projected average salaries, and the actual wages paid will vary by each individual employed in accordance with HR policies, procedures and experiences in place for each provider. (Note that each provider may calculate their own estimated salaries based upon their HR policies, procedures and past experiences as long as the total cost stays within agreed upon parameters.) The pay scales may vary somewhat among the three RBS providers. Some new employees will be paid at or near the bottom of the pay scales. Employees with more experience or other qualifications considered relevant by the provider may be paid more. Further, once the RBS projects become operational, providers may find that they need to pay more or less than the projected average salaries in order to remain competitive in the labor market

[2]The decision was made to estimate at full capacity and ignore the start-up period. Actual costs may likely be lower due to start-up, and utilization may also be lower than noted herein during the first year of operation as a result of impacts from the start-up period.

and to recruit and retain employees with the qualifications they need to make RBS successful.

b. **Taxes/benefits**: As agreed by the RBS Collaborative, taxes and benefits were estimated averages based upon existing payroll ratios and experiences observed by Hathaway-Sycamores. These values are generally not computed for planning and audit purposes on a position-by-position basis. (Note that each provider may calculate their own estimated taxes and benefits based upon their HR policies, procedures and past experiences.)

c. **Overhead**[3]: As agreed by the RBS Collaborative, overhead was estimated averages based upon existing payroll ratios and experiences observed by Hathaway-Sycamores. These values are generally not computed for planning and audit purposes on a position-by-position basis. The other two RBS providers reviewed the Hathaway-Sycamores data and agreed that those figures were a reasonable approximation of their own projected costs in this area. Each provider will calculate their own estimated overhead based upon their operational and HR policies, procedures and past experiences.

d. Minimum qualifications: Most MQs are based on current experience with Group Home, Wraparound and DMH contract requirements. Salaries are at the higher part of the generally accepted ranges as we will want experienced staff in RBS. For newly created or modified positions for RBS, past experience (such as the ResWrap pilot of 2004) or current practice literature (citations follow this paper) have been used to determine what kind of education, training and prior experience might be needed to achieve rapid reunification of youth with high acuity.

e. **Time studies**: Time studies will be conducted as needed to verify salaries, taxes and benefits, allocations and allowability. (LA County requests guidance from CDSS regarding the nature and frequency of these time studies to be conducted.)

f. **Detailed job description information**:

Based on prior conversations and electronic communications, detailed and formal job description will follow this paper in the form of duty statements to be submitted to FCARB (and later to CCL). The following table summarizes specific methodologies, if any, used to create a position outside of the general methodologies stated in 2a or 2d above or in addition to the job description for that position:

[3] The positions of Executive Director and Associate Executive Director, both of whom will spend some of their time overseeing RBS, as they do all other agency programs, are included in overhead costs. As such, job descriptions for these positions have not been included as they represent the usual and customary nature of these positions at agencies operating residential and wraparound programs.

Job description	Special Considerations or Comments	Funding Source
Residential Group Care Staff	All staff in residential are expected to work across different settings and to learn new skills through intensive training and supervision.	
Residential Director	Usual methodology	AFDC-FC
Milieu Supervisor	Usual methodology	AFDC-FC
Youth Specialists	This is a new position in RBS and gets paid more than the traditional CCW as they will be asked to work in the community to reunify difficult children with complex family situations within 9 mos. The salary was estimated based on needing the higher MQ's needed to accomplish this goal.	AFDC-FC
On-Call Youth Specialists	See Youth Specialist	AFDC-FC
Community Services Staff	All based on Wraparound and DMH contract requirements. Salaries are at the higher part of the generally accepted range as we will want experienced staff in RBS.	
Program Director	Usual methodology	AFDC-FC EPSDT
Clinical Supervisor	Usual methodology	EPSDT
Clinician	Usual methodology	EPSDT
Lead Facilitator	Usual methodology	AFDC-FC EPSDT
Family Facilitator	Usual methodology	AFDC-FC EPSDT
Youth Specialist	Usual methodology	AFDC-FC EPSDT
Family Finding & Engagement Specialist	Usual methodology	AFDC-FC
Lead Parent Partner	Usual methodology	AFDC-FC EPSDT
Parent Partner	Usual methodology	AFDC-FC EPSDT
Family Crisis Response Specialist	Due to acuity of the children that will be accepted into RBS and moved quickly into the community, this position was newly created to address safety during crises that occur in that setting. These staff will need additional specialized training in crisis intervention and will need to have more prior experience than a traditional on-campus crisis response team or a community Youth Specialist.	AFDC-FC EPSDT
Administrative Support	Usual methodology	AFDC-FC EPSDT
Mental Health	Based on DMH contract requirements.	

Job description	Special Considerations or Comments	Funding Source
Specialty Staff		
Psychiatrist	Usual methodology	EPSDT
Nurse (LVN)	Usual methodology	AFDC-FC EPSDT
TBS Worker	Usual methodology	EPSDT
MHRS Staff/Youth Specialists	Usual methodology	EPSDT
QA/QI Clinician	Usual methodology	EPSDT
DMH Billing & Chart Specialist	Usual methodology	EPSDT
Shared Program Support		
Program Oversight & Supervision	Program Oversight and Supervision cost reflects time the senior clinical/program leader(s) spends to plan appropriate services, ensure they are properly directed and implemented. Some specific activities performed include supervision of the RBS leadership staff, review of data and outcomes, ongoing communication with County and State departments, etc. In larger agencies, some of these activities are coordinated by two or more senior leaders. In smaller agencies, this responsibility may rest with only one leader. In essence, though, these leaders are charged with overall responsibility for the quality care and safety of the clients.	AFDC-FC EPSDT

4. **Operating cost methodology:**

   a. **Overall approach:** The FT requested that Hathaway-Sycamores estimate their existing non-labor costs as noted in the "Provider Cost" spreadsheet. These costs were based upon actuals for current residential and wraparound programs and were reviewed jointly by the SDT and the FT.

   b. **Detailed non-labor cost information:**

The following table summarizes specific methodologies, if any, used to create an item outside of the general methodologies stated in 4a. above.

Non-Labor Cost Item	Comments	Funding Source
Direct Client Costs		
Residential Client Costs	Estimates based on actuals	AFDC-FC
Food Services	Estimates based on actuals	AFDC-FC
Flex Funds	Estimated at $1000 per child annually for 64 slots.	AFDC-FC

Non-labor Cost Item	Comments	Funding Source
Crisis Stabilization	Estimated at 2.18 days respite or crisis stabilization/child/mo for 48 community care slots. Respite occurs after the 6th mo of the demonstration. Placement costs are ~ $2,000/mo.	AFDC-FC
Respite Care	Estimated at 2.18 days respite or crisis stabilization/child/mo for 48 community care slots. Respite is planned to occur after the 6th month of the demonstration. Placement costs are estimated at $2,000/mo. on average.	AFDC-FC
Foster Care	Estimated for 6 mos. of FFA care for 16 children out of 48 slots at $2,000/mo placement costs on average.	AFDC-FC
Operating Expenses	Estimates based on actuals	AFDC-FC EPSDT
Cell Phones	Estimates based on actuals	AFDC-FC EPSDT
Conferences & Meeting	Estimates based on actuals	AFDC-FC EPSDT
Facilities/Occupancy	Estimates based on actuals	AFDC-FC EPSDT
Insurance	Estimates based on actuals	AFDC-FC EPSDT
Mileage	Estimates based on actuals	AFDC-FC EPSDT
Program Evaluation	Estimates based on actuals	AFDC-FC EPSDT
Staff Recruiting & Development	Estimates based on actuals	AFDC-FC EPSDT
Supplies & Equipment	Estimates based on actuals	AFDC-FC EPSDT
Technology/Telecommunications	Estimates based on actuals	AFDC-FC EPSDT
Vehicles	Estimates based on actuals	AFDC-FC
Other	Estimates based on actuals. These include items such as legal, CCL licenses, agency memberships, postage, copier/equipment rental, publications & subscriptions, contract services (i.e. nutritional consults), and behavioral consultants.	AFDC-FC

Appendix 1 – Research and Related Material

1. LAC ResWrap project
2. LAC Kate A. Corrective Action and related improvement plans
3. LAC Wraparound program
4. In addition, the following residential treatment transformational research was also useful during the design of the Open Doors' treatment and care including the Funding model :

    a. Pathways to Care, John Franz
    b. Specialty MH Services and Out of Home Placement, Glisson (2006)
    c. Organizational Culture and Effectiveness of Children's Mental Health Services, Glisson (2007)
    d. Level of Care Instrument for Children's SOCs, Fallon (2006)
    e. Cutting Corners and Working Overtime: Quality Erosion in the
    f. Service Industry, Rogelio Oliva and John D. Sterman
    g. History & Future of Residential Treatment, Leichtman (2006)
    h. Monitoring and Managing Outcomes in Residential Treatment, Lyons (2006)
    i. Hope as a Residential Treatment Intervention, McNeal (2006)
    j. Time for Reform of Residential Treatment, Pumariega (2007)
    k. Res Treatment from Youth Perspective, Whitehead (2007)
    l. Trauma Informed Care, Brian Farragher
    m. Res Treatment from Youth Perspective, Whitehead (2007
    n. Framework for a New System of Residentially-Based Services in California - Final Report, March, 2006

The RBS Reform Coalition
RECONNECTING CHILDREN, FAMILIES AND COMMUNITIES

Residential Based Services Reform Project

Deliverable Template – WAIVER REQUEST

Instructions: The WAIVER REQUEST allows the demonstration sites to submit a request to have a particular statute or regulation waived under the authority of the California Department of Social Services as described in Assembly Bill (AB) 1453.

When answering the questions in the WAIVER REQUEST, please be as descriptive as possible and provide all necessary information, attachments, flow charts, diagrams, etc.

Revisions: The following information will serve as a guide in helping you identify the changes that were made to the WAIVER REQUEST Deliverable Template.

Blue Font –the blue font represents new questions &/or sections that have been added to the template.

Signatory Page – A signatory page was added to the end of the Waiver Request and should be signed by a representative from the county social service agency, mental health agency and the private non-profit agencies.

Reference Material: Please be sure to reference the AB 1453 enacted legislation, and the 'Framework for a New System of Residentially-Based Services in California'.

Residentially Based Services Reform Project

Waiver Request Form

Los Angeles County Official Submission

Demo Site:	Los Angeles	Date:	06/03/09
Prepared by:	Michael Rauso Khush Cooper	Title/ Organization:	Division Chief/DCFS Holarchy Consulting/LIC
E-mail:	rausom@dcfs.lacounty.gov kcooper@holarchyconsulting.com	Phone:	(213) 738-2731 (323) 829-3547

1. What is the specific regulation for which you are requesting a waiver? Please include title, code section, paragraph #, etc.

Los Angeles County is requesting to waive CDSS regulations governing the group home rate setting process (Division 11, Manual of Policies and Procedures, Sections 11-402.1 through 11-402.4 and Section 11-402.9).

In lieu of the Rate Classification Level (RCL) system, the County will implement the "Cost based" rate system with the rate further modified through negotiation as proposed in Los Angeles County's RBS Voluntary Agreement and Funding Model, as approved by Los Angeles County, Five Acres, Hillsides, Hathaway-Sycamores, and the Los Angeles County Board of Supervisors.

2. Describe the overall intent behind the existing regulation? Examples: safety, quality services, adequate training

Under federal law, a state may receive reimbursement from the federal government for allowable foster care payments pursuant to Title IV-E of the Social Security Act, 42 U.S.C. sections 670-679b, the Child Welfare Act (CWA), for foster children who meet federal eligibility requirements. In order to receive federal monies a state must submit a detailed plan to the Secretary of the Department of Health and Human Services (DHHS) setting forth its system for implementing and administering the program, which is subject to review and approval by the Secretary. (42 U.S.C. § 671.)

California's system did what the CWA required by creating a complex rate classification level system based on detailed costs analyses done in concert with group home providers. More than 19 years ago California's Legislature enacted WIC Section 11462, a comprehensive and detailed statute that created the "rate classification level" (RCL) system for setting payment rates for foster care group homes. The statute charged DSS with the implementation and administration of the system, which established 14 different rate classification levels at which group home programs would be paid for the provision of care and services to foster children. The 14 different levels are distinguished by "point ranges" from under 60 to 420 and up. Each RCL covers a 30 point range. The overall intent of these ranges is to distinguish the intensity of services and level of professional expertise in a facility and reimburse higher levels with higher rates.

Safety (or supervision), quality of services and adequate training are addressed in the RCL system through measuring the presence of various levels of staff and translating that into points, regardless of any individual child's particular identified needs. The RCL point system measures the number of "paid-awake" hours worked per month by a program's child care and social work staff and their first line supervisors. The point system also counts the number of hours of mental health treatment services received by the children in the program, although these services do not have to be paid for by the provider. These hours are then weighted to reflect the experience, formal education, and on-going training of the child care staff and the qualifications of the social work and mental health professionals. These "weighted hours" are then divided by 90% of the program's licensed capacity to compute the program's RCL points, which are used in the determination of the monthly rate the program receives for the care of a child.

3. Discuss why the existing regulation or the AFDC-FC payment requirements, or both, impose a barrier for the effective, efficient and timely implementation of the RBS program.

The RCL system imposes a barrier for the effective, efficient and timely implementation of the Open Doors program in the following way:

The CWA requires that reimbursement rates cover the allowable and reasonable costs, rather than the actual costs, of foster care maintenance. (See 42 U.S.C. §675(4)(A).) Only allowable costs can be reimbursed because foster care maintenance payments cover the cost of -- and the cost of providing -- generally described services, including "food, clothing, shelter, daily supervision, school supplies, a child's personal incidentals, liability insurance with respect to a child, and reasonable travel to and from the child's home for visitation." (42 U.S.C. § 675(4)(A).) In the case of institutional foster care providers, only reasonable costs can be reimbursed because the CWA limits the coverage of institutional foster care "to the reasonable costs of administration and operation of an institution to the extent that they are "necessarily required to provide" specific services. [1]

When the original rates were set in 1990, the RCL system was itself based on cost studies in which group home program service providers participated. However, those cost studies only accounted for provision of "reasonable and allowable" services within group home walls. Therefore, providers and counties were only reimbursed (and incentivized) for having a child receive all services within those group home walls. The cost studies did not account for the additional community-based services and family finding, engagement, preparation, and support services that we now know are required to reunify a child permanently with a family and community. Our understanding of the mechanisms that promote permanency, and especially family reconnection for the older youth who typically have languished in group care, have grown enormously over the past decade, in part due to the

[1] Office and Management Budget Circular A-87, which is used to define the term "reasonable" for purposes of "foster care maintenance payment" in the administration of the CWA, provides that costs are "reasonable" if they do not exceed those that would be incurred by a "prudent person."

principles and innovations such as flex funding pioneered through Wraparound and other new technologies like the relative search engines made possible by the internet and the protocols developed for case mining and team decision making.

As Los Angeles County began to understand these factors, the Open Doors program design was conceived to test strategies to reduce the length of residential stays to produce better outcomes on safety, permanency and well-being measures.

4. How do you propose to otherwise meet the intention of the regulation?

The intention of the RCL system is to ensure that a residential treatment facility employs the correct types of staff members and provides the adequate level of treatment and supervision to safely and ethically serve the clients it admits, ensuring they can rapidly transition to a lower level of care on their journey to permanency.

Open Doors is requesting the ability to create a new treatment, supervision and staffing model, one that views youth who previously would have been placed in a RCL 12 or 14 program as a high needs population with similar treatment and permanency needs, particularly the need for individualized, customizable and portable treatment for the youth and family. This will be achieved by providing a new funding mechanism (and a new RBS case rate based on an updated provider cost study)[2] that frontloads resources to allow a Child and Family Team to focus on community-based treatment, family finding, engagement, preparation, and support, and flexible funds. The goal of this approach is to ensure that reunification (or placement in a new family) occurs safely, quickly and sticks.

In the past we have dealt with increased safety needs associated with these children through providing a higher level of adult supervision (otherwise said as a lower child to staff ratio), specialized treatment interventions and, at times, one-to-one supervision. The decision to place in RCL 12 or RCL 14 specifically relates to the child to staff ratio with RCL 14 having more intense supervision and more intense clinical interventions. In the Open Doors model, the amount of supports a child and family need to be successful will be supplied but in a more customizable way so that safe return to family settings can also be ensured. A good analogy is the HMO model where there are high, medium, and low utilizers, but each individual gets a treatment plan based on the unmet needs of that specific child and family. For example, the enriched staff with the Open Doors model allows us to provide "one-to-one" supervision when a child needs it either in the residential setting, community, school or family home. The most intense supervision is not just restricted to the residential setting which is what the current RCL system dictates. In Open Doors, assessment, planning, interventions and services follow a child regardless of placement setting, unlike under the current system. This is why we have conceptualized the new RBS case rate as sufficient on average to cover the needs of youth who previously would have been categorized either as RCL 12 or RCL 14 and may even have bounced between facilities, since these high needs youth can be better served by a more fluid, and frontloaded program design.

[2] See Funding Model.

The waiver of the RCL system would allow this portable and individualized treatment across a broadened therapeutic milieu, which now would include the residential treatment facility and community-based settings, in the interest of accelerating and sustaining permanency. The Voluntary Agreement Section 4.6.2 describes the proposed staffing and qualifications for Open Doors. The Provider Cost Spreadsheet attached to the Funding Model details projected typical provider costs for the staffing, activities and services outlined in the Voluntary Agreement.

5. Describe how the waiver request will offer a worthwhile test of the development, implementation and on-going operation of an RBS program?

Essentially, Open Doors reflects a paradigm shift by redefining the parameters of a therapeutic milieu. The RCL system restrictively defines the therapeutic milieu as that occurring inside a residential treatment facility. Open Doors redefines the therapeutic milieu as the entire community surrounding the youth and their family including, but not limited to, the residential treatment facility, foster homes, churches the family attends, local community-based organizations, school and home. We believe that this concept of the open therapeutic community[3] captures the very essence of AB 1453 and the RBS framework document, which describes RBS as a "reconnection engine." We also believe that the Open Doors Project offers an affordable design that brings a current, evidence-based[4], cutting-edge treatment technology to do what it really takes to quickly, safely and sustainably bring a high-needs foster child home.

In Los Angeles we have dramatically reduced the number of youth placed in lower RCL facilities by developing alternative family-based settings and working with families to provide intensive home-based services. It is our vision that a youth would only need residential treatment under limited circumstances, including at times when their behaviors pose a threat to themselves or others in the community and can best be stabilized in such a structured setting. For all others our goal is to provide intensive treatment services in home-based settings, and the Open Doors Project is another step toward reducing the amount of time foster youth in Los Angeles spend in group care, and achieving the RBS goals of active child and family involvement, collaborative decision making, and permanence.

The Open Doors Project is planned as a 24 month demonstration project beginning in 2009. By late 2011, after 24 months, an evaluation will be done and depending on the results and outcomes, the program could be extended for an additional 12 months as is, extended with modifications to size or scope, or discontinued. The evaluation results will provide the information necessary to judge whether this test was successful.

---

[3] For a detailed description of the open therapeutic community, see the Voluntary Agreement, Section #1: Executive Summary, *Establishing a Portable and Transferable Therapeutic Community*.

[4] Five Acres and Hillsides are experts in using Aggression Response Therapy for many of their children and families and Hathaway-Sycamores has had success with the Chopitra approach and PBIS (Positive Behavioral Interventions and Supports).

6. Explain how the agreement will be monitored for compliance with the terms of the waiver or the alternative funding model or both. Provide information regarding the agency for monitoring frequency.

The Open Doors Project's programming will be monitored as described in Section 4.7.1. of the Voluntary Agreement. All three providers will participate in the Open Doors Work Group and Roundtables (See Section #4.5: Management, in the Voluntary Agreement) along with a wide range of community representatives, including those from the schools, child and family representatives, community-based service agencies, and county government. The Roundtable will provide direct feedback on the quality of the services and outcomes being achieved and will make suggestions for system and service improvement to the Work Group.

The fiscal and contracting monitoring will be handled as follows:

1. As noted in the Funding Model, the design of the County Demonstration is fully aligned with Federal and State safety, permanency, child well-being and financial guidelines. To ensure these guidelines are met as reflected in the Open Doors outcomes and program design discussed in the Voluntary Agreement, monitoring of the progress of the target population in achieving the Open Doors outcomes has been placed in the scope of the duties and functions of DCFS and DMH including the Wraparound Administration Group, and supported by the appropriate County fiscal organizations, County Auditor Controller, and the Open Doors Evaluation Subcommittee.

2. As noted in the Funding Model, various strategies and actions are planned to manage financial risk. Below is a summary of the pertinent Open Doors Demonstration Project features to manage financial risk :

    a. Payment reconciliation will be held to ensure that all payments are allowable and properly accounted for, including a payment limit of $147,314 per child to be paid for all Open Doors related costs incurred by the providers for the 24-month period of the Demonstration.
    b. An Open Doors residential rate review will be held to ensure that actual payments made reasonably reflect allowable provider costs incurred.
    c. The provider will make a refund to County if the actual Open Doors average monthly residential costs are more than 10% lower than the Open Doors residential rate of $10,194.
    d. The County and providers will be financially incentivized to achieve and share savings from the Open Doors payments made compared to the cost neutrality figure of $147,314 generated through reduced lengths of stay in Open Doors.
    e. Round Table oversight of Open Doors utilization will occur at regular intervals to assess overall Open Doors utilization effectiveness.
    f. The County and the providers will perform internal reviews and audits of the Open Doors Demonstration.

g. The County Auditor Controller has been involved in reviewing the design of the funding model and will audit each of the Open Doors providers at least once during the Demonstration Project.

Residentially Based Services Reform Project

Waiver Request Form

Los Angeles County Official Submission

RBS Program Approval – Signatures of Authorizing Collaborative Participants

-Add as many signatory lines as necessary-

By signing this Waiver Request, you agree to the request for a waiver in the alternative program and/or funding models. This Waiver Request permits amendments, modifications, and extensions to be made, with the mutual consent of all parties and with approval of CDSS, based on the evaluations (described in paragraph (3) of AB 1453), and on the experience and information acquired from the implementation and the ongoing operation of the program.

***County Social Services Agency - DCFS**
Name: Lisa Parrish
Title: Deputy Director
Agency: County of Los Angeles, Dept. of Children & Family Services

Signature 6-2-09 Date

***County Mental Health Agency - DMH**
Name: Olivia Celis LCSW, MP.L
Title: Deputy Director
Agency: County of Los Angeles, Dept. of Mental Health

Signature 6-2-09 Date

***Provider Agency(ies) - Five Acres**
Name: Robert A. Ketch
Title: Executive Director
Agency: ~~Hillsides~~ Five Acres

Signature 6-2-09 Date

Provider Agency(ies) - Hathaway-Sycamores
Name: William P. Martone
Title: President / CEO
Agency: Hathaway- Sycamores

Signature 6/2/09 Date

Provider Agency(ies) - Hillsides
Name: John M.Hitchcock
Title: Executive Director
Agency: Hillsides

Signature 6/2/09 Date

*Signature required before submittal to CDSS

I. VOLUNTARY AGREEMENT ITEM RESPONSES

The following is our response to the feedback provided by CDSS on the Los Angeles County Open Doors (RBS) Voluntary Agreement. As discussed on July 28, 2009, we have made the corrections to the narrative and the corresponding tables and attachments. We have also attached a 'Glossary of Terms' at the end of this document. Below are the clarifications, as requested, to our Voluntary Agreement:

TARGET POPULATION & ENROLLMENT

- **Section 3.1 identifies the target population for RBS enrollment. Would a child who has no identified family or Non-Relative Extended Family Member (NREFM) be allowed to participate in RBS?**

Response:

Yes, we plan to have a combination of children with identified family members and no identified family members.

ASSESSMENT & MATCHING

- **Section 3.3.2 describes the process and procedures for matching children/youth and families with an RBS provider. Additional information is needed on the following:**

    - **The eligibility criteria listed fails to provide enough specifics in order to prioritize one youth over another. For example, how will the first set of 57 youth be selected from the 600 RCL 12 and 14 youth?**

    Response:

    Open Doors will operate a 52-bed program with 5 additional beds reserved for crisis stabilization for children who are in the community care phase and need a brief return to residential treatment, for a total of 57 beds in the demonstration project. The initial cohort is anticipated to be comprised of approximately 40-45 already eligible children taken from the providers' current residential population (referred to as the 'unit conversion' cohort). The unit conversion cohort will go through an expedited referral and enrollment process which will include a RMP, CANS, and ISC (Wraparound) enrollment, as well as termination and decertification with respect to their current traditional group home programming. Children and families will be introduced to the new program structures and staff as necessary and will be moved to the Open Doors Cottages on the same campus.

During and after unit conversion, the remainder of the enrollments to Open Doors will be identified on a case-by-case basis during the regularly occurring RMPs county-wide for targeted RCL 12 and 14 placements. During these RMPs, if the CANS and the team discussion indicate that the child is eligible for a RCL 12/14 level placement and would benefit from Open Doors enhanced services, and there is an Open Doors vacancy which matches the child and family's request and need, a referral will be made. If there are more eligible children than beds, family voice, professional judgment and case consultation occurring in the RMP will determine which youth will ultimately be enrolled in Open Doors and which will be diverted to other existing service programs in the County.

- **How will matching youth to a provider work on a "rotation basis"?**

Response:

For the past ten years, Los Angeles County has employed a rotational process for Wraparound, which establishes a consistent referral process while providing opportunities for families to be matched with providers based on continuity of care as well as family voice and choice. The rotation process provides a transparent, fair and predictable way of ensuring equality among providers. The rotation only applies if there is more than one provider with a bed open and all else is equal given the matching considerations of age, gender, and/or behavior profile. At the RMP, a County RUM unit (centralized referral unit) representative will know the next Open Doors provider on rotation and will inform the family and the team. If there are any issues, they will be discussed at the RMP with the family present before a decision is made by the family and the team. The providers will be asked to provide RUM with their Open Doors vacancies weekly, and will be invited to attend when possible or necessary

- **Section 3.3.3 indicates that children/ youth and families will participate in the decision-making process and provide input. What is the weight of children/youth and families' input?**

Response:

Family voice and choice are given the maximum weight possible inside legal and safety parameters. Family voice, choice and expertise regarding their own issues are guiding principles that drive the entire Open Doors arc of care, including the RMP referral process. In the RMP meeting, families are engaged and supported to actively voice their strengths, concerns and ideas on planning. Decisions about the family are not made outside of the RMP and, if after the family has been presented with Open Doors and they choose not to participate voluntarily, the family will be provided with a choice of other available programs. Every effort will be made to ensure that a parent advocate is present in Open Doors targeted RMPs. The County is in the process of increasing capacity with respect to these staff positions.

ENGAGEMENT

- **Section 5.1.3 describes the consistency and effectiveness of the engagement process. Additional information is needed concerning the strategies that will be used to continuously engage and reengage families.**

Response:

Family engagement is a focus throughout the arc of care/ treatment process. Family voice and choice is honored and elicited starting at the RMP when the family first hears about Open Doors. The Open Doors Training Subcommittee is in the process of creating a 'Family Guide to Open Doors' which will be given to families at the RMP to further educate them on what to expect from Open Doors. Once they have agreed to be in Open Doors, a Child and Family Team (CFT), which includes a Parent Partner, is assigned to the family. The CFT, whose core membership is intended to remain the same throughout the family's arc of care, will focus on collaboratively creating a plan with the family focused on their strengths, culture and individualized needs. The entry in the residential program presents the first and largest opportunity to restructure engagement of family members. With a more inclusive and transparent process, families are likely to be more engaged as their input will have more direct and immediate impact on the process. By continuously monitoring the plan of care, and the resulting individual interventions by various team members, the CFT will continue to ensure effectiveness and relevance of the plan as well as family engagement throughout the arc of care. If, at any time, the plan does not seem effective or engagement is diminishing, the CFT will focus on re-engaging the team members, including the family, by meeting with team members individually, revisiting strengths/needs and interventions, and revising the plan. CFT meetings will be scheduled at times and locations that are convenient to the family to make the process more convenient and friendly and transportation will be made available to the family members as needed. In order to engage family or team members who may be at a great distance, video and/or phone conferencing will be available.

The youth and family choose what natural supports/ informal supports (teachers, coaches, pastors, family, friends, etc) they want on their team. If at the time of enrollment into Open Doors the youth has no family involvement, Family Search and Engagement will begin. Identification and engagement of family into the process will be a focus throughout treatment for disconnected youth.

PLAN OF CARE

- **Section 5.2 describes the service planning process. Additional information is needed on the following:**
  - **Are schools/educational liaisons active participants? If not, what is the timeline and process for engaging them?**

Response:

Each provider notifies the local school district when children/youth enter their facility within three days. As all Open Doors providers are located with the Pasadena Unified School District, this is done by using an LCI Notification of New Student Resident Form. All student records that are available accompany this form. This will alert the district if any special educational needs have been identified and will allow the district to appoint an educational liaison or Educational Surrogate from the district if necessary. The educational liaison will be invited to be an active participant on the Child and Family Team (CFT). As needed, additional relevant school personnel (teachers, counselors, coaches) are encouraged to be active participants on the CFT.

- **Are the courts/judges supportive of RBS? If not, what is the process for engaging them?**

Response:

The juvenile court judges have been briefed on Open Doors and have expressed support of the program design. The judges will receive a more detailed briefing in August and then receive information before the implementation date of Open Doors so that they are clear on the eligibility criteria and referral processes. These social marketing efforts will be aligned with the communication plan set by the Open Doors Training Subcommittee to ensure a unified county-wide message. Additionally, the RBS collaborative is proposing a presentation at the *Beyond the Bench* conference in December. Lastly, meeting with the Children's Law Center is also being coordinated so that children's attorneys are aware of the program and its features. Attorneys will be engaged throughout the arc of care via CFT meeting notes, phone conferences and court updates.

RBS SERVICES

- **Section 5.3.2 describes the four program services that comprise RBS. Additional information is needed on the following:**

  - **How is the residential environment and therapeutic milieu different in RBS?**

Response:

Increased family engagement. From day one, Open Doors families are viewed as welcome and critical components of their child's wellness and success, far more critical than residential unit staff. In the facility, Open Doors will encourage families to be active participants using activities such as cooking dinner in the treatment unit, helping their child at bed time, and getting involved in activities while the child must remain on the campus. Traditional visitation modalities such as visits during waking hours and limited facility access will no longer be applied. Furthermore, given that Open Doors' focus will be far more community-focused than traditional group care, many of the therapeutic activities will not occur within the walls of the residential

facility. With the addition of more qualified staff developed through the transformed design of Open Doors and the RCL system waiver, we will be able to create a Youth Specialist-driven 'mobile therapeutic community' and do more community and home based activities. Youth Specialists will bring children home for visits and teach/model parenting skills in the home environment. They will bring the children into the community to help them learn interpersonal skills 'en vivo' and they will support them in school, as needed. Parent Partners will engage the family from day one to support them in taking the necessary steps to reduce barriers to permanency. They will also help the parents meet the court requirements and develop community supports or strengthen those that already exist. Therapists will provide individual or family therapy in the home environment or community center if that meets the families needs and will work with the extended family as defined by the family. Throughout all of this, the CFT Facilitators will ensure that all of the aforementioned activity is driven by the family's plan of care, and that all members of the CFT have assignments to help move the plan forward while holding team members accountable to completing those assignments in a timely manner.

Initial conditions focus. Traditional group home care focuses on behaviors and creating a compliant group home client using 30-day holds and level systems intended to perform a behavior overhaul. These will not be applied in Open Doors, and treatment will focus primarily on the needs behind the initial conditions that led to placement and safety needs in the home. Any new issues that arise during treatment will not delay reunification unless there are health or safety risks. All other issues will be addressed throughout the continuum of care in the community.

Permanency focus. For high-needs children with challenging behaviors and family circumstances, traditional group care has had more of a step-down focus, with permanence efforts beginning only when children are deemed "ready" to be in the community. In Open Doors, for children that do not have involved family members at the time of placement, family finding, engagement, preparation and support will begin immediately upon enrollment by CFT members. Once family members have been engaged and approved to participate, they will be supported to help develop the treatment plan as part of the Child and Family Team. For those children/youth that do not have family resources available we will look for an adoptive family, as permanence is the overall goal of the Open Doors program.

- **How will the family transition from formal facility-based support to informal community-based services?**

Response:

The importance of informal, community-based services will be emphasized throughout the arc of care, as Open Doors integrates Wraparound principles into the residential setting. Recognizing that natural supports are more accessible to the family and likely to help them realize lasting success, planning involves search for and use of informal community-based services from the time the child enters the

residential phase of Open Doors. In this phase, facility-based support addresses emotional and behavior concerns that result in the need for a structured setting. Concurrently, planning for the child's transition to living in the community takes place. This will involve utilizing the strengths of the child and family, linkage to formal and informal supports and resources, and planned and supported exposure to community based experiences. It is up to the CFT to determine when these supports and strategies are sufficient enough to move the child from the residential facility into his or her community.

The transition from residential to community will be seamless and fluid, and will maintain continuity of treatment and relationships as identified in the plan of care. The family remains in Open Doors and continues to receive support such as the CFT, with access to respite and crisis stabilization. Along with developing strategies to address the unmet needs of the child and family in the community setting, this will also include involving informal team members such as extended family, neighbors, friends, or other natural supports (coaches, teachers, pastors, etc). Service delivery will be based on the guiding principle of family voice and choice in both facility and community settings to ensure that natural supports are family-driven, accessible and appropriate.

As the team moves closer to meeting the long term goals and the family's mission statement, the CFT relies less on formal supports and prepares the child and family for graduation from Open Doors. At this point, the child has demonstrated stability, and the family has demonstrated developed skills in mobilizing supports and strategies to deal with areas of unmet need. Again, determined by the CFT, graduation from Open Doors would suggest that the child and family is appropriately supported and safe.

- **What are the specific follow-up services that are available in RBS?**

Response:

Once children move out of the residential placement, and are back in the community they continue with the CFT process and have access to crisis stabilization and respite services. Youth Specialists with whom the family was familiar in residential will continue to provide a bridge between the skills the family learned and practiced in the residential phase and the current community care phase.[1]

- **Describe how this RBS program employs Wraparound principles in an innovative strategy.**

In addition to the enhanced transition design outlined above, Open Doors will import and integrate Wraparound principles in the following innovative ways:

[1] Open Doors does not plan to provide specific follow up services upon graduation. The team will be working from early on in the treatment process to connect the child and family to community resources and natural supports that will continue to support them once formal services have ended.

Parallel family services. There will be simultaneous parallel services to families as well as children and youth rather than a focus just on the child while the child in the residential phase. We are able to engage informal supports as soon as identified and increase their role in providing support for the child and family. Additionally, we are able to provide concurrent family engagement, preparation, and support to prepare the community to receive the child.

Same CFT and plan of care throughout arc of care. The CFT and the plan of care will drive treatment regardless of placement setting, including in the residential phase. A 'whatever-it-takes' philosophy and community engagement begin at day one, rather than when the child is "ready". The same core team members function in residential and community phases, thereby following the child/youth and family through out the Open Doors arc of care. The CFT has had more of a planning focus in traditional Wraparound while the CFT will be involved in more of the "doing" of the treatment plan, using seamless communication with Youth Specialists as detailed below.

Youth specialists team with parent partners. The Youth Specialists' role has been enhanced to connect the treatment in residential and in community seamlessly. The involvement of the Youth Specialist and Parent Partner with the family in the home environment will allow the families rituals, traditions and norms to be incorporated into the treatment program, and, as the child transitions home, this will allow some of the structure that was effective with the child to be incorporated into the home environment. Thus, the old lines between facility treatment and community treatment models are erased and the transition home for the child/youth is less jarring and more effective.

TRAINING

- **Section 4.6.3 describes the staff training plan. Additional information is needed on the following:**
  - **How and when will the county social workers be trained on RBS to achieve the desired culture change associated with RBS?**

Response:

The Open Doors Training Subcommittee is in the process of documenting an overall Social Marketing and Training Plan which lists the groups to be trained including the communication and training schedules. Open Doors will be broadly marketed to community partners, state partners, DMH, DCFS management, TDM/RMP facilitators, parent partners/advocates, youth and families, Interagency Screening Committees, courts, schools, and other stakeholders in a 1-hour presentation. Presenters will include county staff and providers. CSWs will be one of the target audiences slated to receive this presentation.

CSWs who have youth slated for the initial unit conversion cohort will receive the presentation approximately 8 weeks prior to program launch. These CSWs, if they agree to refer, will then also attend an orientation session (length to be determined once content has been solidified and presented to county heads). Content will include:

A. Elements of RBS

- What is RBS
- Brief history of local development, partners, intention
- Goals of RBS (Permanency, Safety, Well-being)
- Current situation for children in care
- Why RBS is important
- What's different about it – a cultural shift
- Who it's designed to serve
- Project sites
- How will we know it's working?
- Future implications

B. Guiding Principles of RBS (based on Wraparound)

- Ensuring child and family voice/ownership
- Arc of care
- Immediate and ongoing intensive family involvement
- Family search and engagement as needed
- Short-term, intensive placement interventions
- Interventions are individualized, evidence-based, trauma-informed
- The importance of culture
- Parallel community supports and services during placement
- Continuity of care

C. Understanding RBS in Los Angeles County
- Differences between Wraparound and RBS
- Referral
- Access
- Funding overview

The Training Subcommittee is working with UC Davis on these learning objectives to ensure that there is consistency yet flexibility with content across the state. They also are collaborating as appropriate with the San Bernardino County Training Subcommittee.

- **How are the county social workers included in sustaining and developing RBS competency?**

Response:

Social workers will be able to provide ongoing feedback to ISC members and RMP facilitators who are located in regional offices. There will be ongoing social marketing presentations, training and CFT-participation coaching.

- **Will refresher training be provided for all staff associated with RBS?**

Response:

Provider agencies will be providing ongoing monthly training (see Voluntary Agreement 4.6.3) on various topics related to working with the RBS youth and their families. These trainings will occur at individual provider agencies according to their specific populations and treatment approaches.

DCFS will provide regional staff with presentations and updated information during general staff meetings and unit meetings. The RBS training curriculum will be presented to the DCFS training section in order for this curriculum to become an annual training module for LA County.

- **What specific training will be given to provider staff on RBS to achieve the culture change associated with RBS?**

Response:

In addition to the initial orientation which will include both department and provider staff, there will be 2 additional days of orientation training for provider staff. The content for this has been influenced by training currently conducted by Los Angeles Training Consortium (LATC) for Wraparound providers and is being further revised with input from UC Davis and Pat Miles. Topics include supporting the Open Doors culture shift with respect to the following:

A. Effective Environmental and Treatment Interventions
   - Understanding difference between group care and RBS response
   - Intensive treatment interventions
   - Evidence-based practices (emphasizing trauma-informed, strength-based, family-friendly models)
   - Ensuring child and family voice in the entire treatment process
   - Effective group activities
   - Linking interventions to outcomes
   - Modifying treatment interventions

B. Effective Parallel Community Interventions and Supports
   - Purpose and rationale for parallel community interventions and supports
   - Understanding the child and family's sense of community
   - Outcome-based planning for community activities
   - Building awareness of community resources and connections

- Cultural issues in identifying appropriate community activities
- Ensuring child and family voice and choice
- Planning for permanency

C. Effective Aftercare Interventions and Supports
- Purpose and rationale for follow-up and post-discharge support
- Understanding the difference between disruption and failure
- Community engagement
- Assessment and communication of risk
- Essential feedback loops

D. Evaluation and Quality Assurance
- Overview of Evaluation Plan for RBS
- Provider evaluation responsibilities
- Review of documentation samples
- Effective use of data for children and families
- Promoting family and child voice in program improvements
- Effective use of data of program improvement

E. Funding

F. Overview and Interface of Key Roles
- Description of key roles
- Structure of Child and Family Teams
- Detailed description of roles and how the other roles work with each one

Approximately 1-2 months following this Basic 3-day training, Role-Specific Training will be conducted for each RBS role (e.g., Parent Partner, Facilitator, Youth Specialist). Note: this training curriculum will be delivered by individual providers but will be the same curriculum. An RBS staff will attend only the training for his/her role unless otherwise indicated. Training will be 1-2 days for role-specific training.

- **Trauma-informed care was addressed as an important feature of the milieu, will trauma- informed care be included in the RBS trainings**

Response:

Trauma-informed treatment is one example of the evidence-based approaches that will be woven into the milieu culture and treatment approaches used by each provider. One example of curriculum that may inform the trauma-informed treatment comes from the Child Welfare Trauma Training Toolkit, published by the National Child Traumatic Stress Network. This publication was developed in partnership with the California Institute of Mental Health and the Child and Family Policy Institute of California. In addition, trauma-informed care and other evidence-based practices are included in the learning objectives for the Basic Training for all provider staff. .

PERMANENCY

- **Section 5.4.2 describes the involvement of adoption agencies. Los Angeles may want to amend this section as it appears to have information that should have been omitted before submission.**

  Response:

  The section should read:

  "Two of the three providers participating in the Open Doors Project are licensed as adoption agencies. When adoption is the concurrent permanency plan or the primary permanency plan for an individual child at enrollment, or when the benefit of using those services arises during enrollment, the Facilitator, in conjunction with the CSW, will insure that this is reflected in the Open Doors plan of care the CFT is working towards that goal."

IMPLEMENTATION PLAN

- **Section 6 describes the key implementation areas and timeline, however, the dates reflected in this section need to be adjusted to reflect the new target date of Nov 1st for serving the first child/youth.**

Response:

See revised Punchlist v7 8.19.09 (attachment).

CULTURAL RESPONSIVENESS TO YOUTH & FAMILIES

- **Overall, reviewers felt that cultural responsiveness was not adequately addressed in the Plan. Additional information is needed on the following:**
  - **What kind of training will be offered to enhance cultural sensitivity and responsiveness in staff?**

  Response:

  Family voice and choice is given maximum importance during all aspects of the training modules, as staff's understanding of this concept is key throughout the Open Doors arc of care. Staff will continue to be trained to respect and view a family's decisions and needs during the Open Doors facilitated planning process as a reflection of individual family culture.

  As Los Angeles County's model for Open Doors involves the infusion of the Wraparound process into the residential setting, training modules will outline the phases of Wraparound, modified to include the impact of the residential care component. Emphasis will be placed on the concept that effective engagement is

critical to the relationship and ongoing service between a family and service providers. The importance of cultural sensitivity and responsiveness at the point of engagement will be reflected through staff's need to be aware, accommodating and empowered around areas of individual family culture. This includes but is not limited to ensuring that services and the family's Plan of Care are provided in the family's language of choice. Staff will be trained to explore unmet needs with the Child and Family Team across all life domains. One of these key life domains is the Cultural/Spiritual domain. In addition, staff will be trained to understand that strategies, actions and linkage to community supports should always consider alternatives that best fit in the context of family culture as it reflects a plan that is likely to be more sustainable and accessible for a family.

- **Will cultural responsiveness be part of the criteria when selecting the staff who will participate in RBS?**

In selecting staff for the RBS project, selection will be based on finding those individuals that believe in the principles of the project and that look at each family and child on an individualized basis. Each agency has outlined interview questions to best gauge which staff would be a best fit for the RBS program and openness to all cultures. Factors such as language will be considered along with all the other features that go into selecting culturally sensitive, well-matched and diverse staff.

II. FUNDING MODEL RESPONSE:
GENERAL AGREEMENTS & ASSUMPTIONS

1. *Arc of care*: The Open Doors estimated nominal arc of care is 22 months per child (i.e. 10 months residential care and 12 months community care. In this regard, the Child and Family Team (CFT) makes all planning decisions including but not limited to treatment, transition and graduation. These decisions will not be based upon financial considerations. NO limits on length of stay will be financially imposed upon the treatment model. If financial overruns/underruns occur compared to the estimated averages, they will be handled by the reconciliation process.

2. *Allowable costs*: It was noted that the California Alliance for Children and Family Services and RBS providers are working to develop guidelines for RBS allowability. These guidelines will be applied when they are available and approved by CDSS and the demonstration counties; until that time, the Open Doors Collaborative will use its best judgment. (Note: These guidelines may effect current funding model assumptions and design, and if so, Los Angeles County (LAC) will coordinate with CDSS as appropriate.)

3. *"Attachment A" residential length of stay*: A 9-month residential planned length of stay will be used in Attachment A for State neutrality consideration. This will be done because a "financial maximum payment" for the residential care rate has been set at 10 months; therefore, statistically, the average demonstration length of stay for residential treatment will be less than 10 months. Again, this limit does NOT impose any treatment maximums or restrictions.

4. *Auditing*: It is recognized the CDSS Rates and Audits Bureau is preparing guidelines for RBS provisional auditing. LAC will collaborate with CDSS as appropriate to ensure these guidelines are consistent with accepted audit principals and the basic audit intent is consistent with the transformative nature of RBS.

5. *Cost neutrality considerations*: An accommodation will be made to address the arcs of care for children who have not completed their Open Doors treatment by the end of the 24th month of the demonstration. As agreed upon during the feedback session, LAC has provided a proposed methodology for the State to use for their neutrality analysis. For this response, it is assumed that the LAC methodology will be used.

6. *Cost savings distribution*: The concerns about claiming have been noted and addressed in this response. It is assumed that the approach proposed, which has been reviewed by LAC DCFS Finance, meets County and State needs for claiming.

7. *Documents used for the feedback session and LAC's response*: The basis for this response is the Voluntary Agreement, Funding Model, Waiver Request, attachments, and the general agreements made the Feedback Session on July 28, 2009.

8. *Outliers*: As discussed in the feedback session, LAC has clarified this. In summary, the CFT makes the initial identification of a child as a potential outlier based upon emerging safety and treatment needs, which appear to be above and beyond the scope of the Open Doors treatment parameters. This recommendation is reviewed by the Open Doors Roundtable and, if the child is confirmed to be an outlier, then and only then are financial considerations of ballooning treatment costs taken into account.

9. *Rates and reductions*: A 10% rate reduction has been applied to RCL-13 equivalent portion of the residential rate in accordance with State directed AFDC-FC reductions effective October 1, 2009. The residential 'patch' is not subject to a 10% reduction. If for any reason the AFDC-FC reduction is not implemented for RBS or is later rescinded, LAC will amend its funding commitment to the Demonstration and restore the funding to its original proposed levels.

10. *Title IV-E Waiver considerations:* LAC recognizes that if the Title IV-E Waiver is not renewed, then any extensions of the Open Doors alternative funding model and related design will no longer be applicable. Accommodation has been made for this eventuality in the body of this response.

11. *Unplanned disenrollments: As discussed in the feedback session,* any child who is disenrolled from Open Doors as a result of an unplanned event or circumstance will continue to have their treatment and financial data maintained in the RBS evaluation and financial analysis.

12. *Flex Funds*: As discussed in the feedback session, LAC agrees to clarify the use of flexible funding. This is discussed as the last item of the "III. Funding Model Item Responses" in this document.

III. FUNDING MODEL ITEM RESPONSES

1. OPERATIONAL QUESTIONS:

1.1 TARGET POPULATION – The target population for Open Doors is not fully described in the FM write-up, but a complete description of the parameters to be used in selecting children to participate in the project is found in Section 3.3.2 of the Voluntary Agreement. In addition, Table 1 in Section 3.1 of the Voluntary Agreement contains demographic information regarding the current population (2007-2008) of children in FC who represent the children who will be served by Open Doors. Section 3.1 further clarifies that the new RBS slots (up to 160) will be immediately filled with existing children who meet the RBS criteria who are currently in foster care with the RBS providers.

1.1.1 In addition to the information shown in Table 1, please add the range for each statistic shown.

FY 2007-2008 Exit Cohort Data (with ranges added)

	Total FC Career (mos)	Total GH Career (mos)	Last GH episode (mos)	Avg Age (years)
RCL 12/14 Combined (N=980)	**Avg: 60.1 mos Range: 0.1 - 237.5 mos**	**Avg: 20.2 mos Range: 0 - 157.5 mos**	**Avg: 8.3 mos Range: 0 - 84.8 mos**	**Avg: 15.2 yrs Range: 6 - 20 yrs**
RCL-12	58.3	18.4	7.7	15.2
RCL-14	80	40.1	15	15.5
Open Doors Providers (N=79)	**Avg: 63.2 mos Range: 0.5 - 192.7 mos**	**Avg: 32.4 mos Range: 0.2 - 159.6 mos**	**Avg: 21.5 mos Range: 0.2 - 86.0 mos**	**Avg: 12.5 yrs Range: 7.0 - 18.0 yrs**
Five Acres	61.5	34.5	22	11.4
Hathaway Sycamores	63	28.7	18.3	14.9
Hillsides	71.4	29	24.7	13.3

As discussed in the feedback session, the Open Doors design and funding model are based on the three Open Doors providers' data. These data are representative of the demographic that Open Doors intends to serve throughout the demonstration, regardless of whether it is at unit conversion or on-going.

1.1.2 The assumptions used in the FM to develop the base for cost neutrality must be supported by demographic information on the current population being served. The information in Table 1 provides this support, and will be used for discussions on the Cost Neutrality baseline discussed at Question 7 in the FM. Further questions on this are found at section 3.1.

Response:

Open Doors will start with an initial cohort of 52 youth converted from children already in RCL-12 and/or -14 care with the Collaborative providers; this is called "Unit Conversion." In the event all 52 beds cannot be filled from children in care within the Collaborative, then children who are currently in or at risk of RCL-12 or -14 placements will be considered through the RMP process. As children leave the residential component of Open Doors, the RMP process will be used to fill the vacated beds. It is anticipated that over the 24-month period of the Demonstration 160 children will treated and cared for by Open Doors.

As the table in 1.1.1 shows, the Demonstration providers currently have children whose group home careers average 32.4 mos. We are using that figure as our baseline to determine cost neutrality as we are assuming they will continue to receive referrals for the same profiles of children they do now. However, given that the demonstration project is only 24 months in length, we will use the 24 month figure as the baseline length of stay for cost neutrality.

1.2 PROPOSED PROGRAM FUNDING MODEL – The Funding Model states on page 6 that there is a total capitated limit of $147,134 on an individual child's entire arc of care, which is inclusive of payments to the Open Door provider and other placement costs while enrolled in the Open Door program. The FM further establishes there is a hard cap on residential payments at 10 months, beyond which a provider will be paid at the Wrap Tier 1 rate. Based on this approach, plus information from the charts on pages 11 and 22 along with their attendant narrative, please answer the following questions:

1.2.1 Both Table 1 on page 11, and Table 3 on page 22, indicate the "planned level of service" in community care is 12 months or less. However, the footnote #6 on page 22 states there is a maximum length of stay in community care of 12 months. Is there a hard cap of funding for community care at 12 months? Or could a child be funded in community care up to 22 months?

1.2.2 Attachment 2 contains an example of performing a reconciliation for a provider. Bed 5 contains an example of one child receiving Residential Care for 12 months, and Community Care for 12 months. The funding data for this bed shows 10 months of residential payment (this reflects the 10-month cap), but 14 months of Community Payment. Do the months of excess residential payment above the 10-month cap count as community care months?

Response:

There are NO FUNDING LIMITATIONS in the sense that funding will not stop as long as treatment continues. In addition, there are no limits to either residential or community length of stays. In the case of funding limits, the residential rate is limited to 10 months over the combined arc of care, at which time it switches to the Tier 1

Wraparound rate; however, the child continues to stay in residential until the Child and Family Team (CFT) determines it is appropriate to place the child in community care. Community care rates continue for as long as the child receives the care associated with the rate(s) as appropriate. Note that there are LOS maximums for crisis stabilization and respite; both are 14 days per episode, at which time a placement change must be made in both cases.

1.2.3 Table 3 displays a note that indicates the nominal arc of care is 21 months, but the maximum arc of care is 22 months. Does this mean there is also a maximum funded arc of care at 22 months, or is there a single maximum funding cap of $147,314? (The FM indicates that if the maximum funding level is reached on a per child basis, no further payments are made to the provider.)

1.2.4 Using the example for Bed 5 again, the child has been in the program for 24 months, at a cost of $160,516. If there is a maximum arc of care of 22 months, please explain how can the child still be in the program at months 23 and 24?

Response:

There are two types of under/overruns: Payment and cost. In the case of payment over/underruns, adjustments will be made as described under reconciliation. In the case of cost over/underruns, these will be handled by auditing the provider costs at the end of the 24-month demonstration (See Open Doors Future Residential Rate Setting and Underspending Refunds, page 17 of the Funding Model. Also see items 1.2.10.1, 3.1 and subs, 4.2 and 4.3 in this document).

The demonstration-funding model is artificially designed to accommodate a 24-month demonstration tied to AB 1453. Barring the termination of the Demonstration at or before month 24, LAC intends to continue treating children in Open Doors for at least another 12 months beyond the initial demonstration. In any event, AB 1453 forces the funding analysis to consider children whose arcs of care have not ended at month 24. As discussed in the feedback session, LAC has provided a means of doing this by calculating a pro forma arc of care based on children who completed Open Doors treatment and applied to those children whose arcs of care have not completed on month 24 (See response under item 3.3.1). This analysis is provided in the spreadsheet, titled "State Neutrality" in the workbook submitted with this response.

As part of the feedback discussion, it was clarified that the tables and charts in the Funding Model associated with cost neutrality and reconciliation were to deal with the financial necessities dictated by the State following month 24 of the Demonstration. Actual arcs of care generated by each child are determined by the CFT and reviewed by the Open Doors Roundtable as noted earlier.

1.2.5 The Proposed Tier 1 Wraparound rate of $4,184 is paid when the child exits residential care. The FM indicates that any accompanying FC placement cost for Bridge Care (FC, FFA, Relative) is paid by the county and deducted from the Wrap Tier 1 rate for a net payment to the Open Door provider. Please provide a description of the process that the county will use to pay these costs.

Response:

The County intends to use its existing administrative process for these types of costs, which is fully compliant with Federal, State and County regulations regarding the disposition of placement costs in Wraparound associated with Bridge Care (FC, FFA, Relative Care, etc.) which is needed when the child has completed residential treatment but the family is not prepared to receive them. Essentially, what the process does is deduct the placement costs from the provider and pays or causes them to be paid to the placement entity.

1.2.6 On page 6, near the bottom of the page, there is a statement that "Under specialized circumstances and when approved by the CFT, a child may at some point convert to the Wraparound Tier 2 case rate of $1,250, if this is judged to be an appropriate level of service while they are in the community." The Tier 2 rate of $1,250 is considerably lower that the Tier 1 rate of $4,184. Elsewhere in the text (page 10), it is indicated that Tier 1 is based on actual historical costs data and that Tier 2 is based on estimates developed by a workgroup including providers.

1.2.6.1 What are the differences between the level and mix of services associated with Tier 2 at $1,250 per month and those associated with Tier 1 at $4,184 per month?

1.2.6.2 Please provide some examples of the "specialized circumstances" that would lead to the use of Tier 2.

1.2.6.3 The description for Community Care, g. Intensive Treatment Foster Care, indicates that this placement would most likely be enrolled in Wrap Tier 2. Would the county pay the Proposed ITFC rate of $4,476 to the ITFC home and pay the Wrap Tier 2 rate to the Open Door RBS provider? (In other words, the cost of placement is not offset against the Open Door provider payment as with the Wrap Tier 1 approach.)

Response:

The State comment is correct and, as was discussed during the feedback session, Tier 2 Wraparound, effective May 2009, was developed to address the Katie A. Settlement. The County developed Tier 2 to provide Wraparound to DCFS youth with intensive Mental Health needs who did not meet the SB 163 target population

(RCL 10 and above). Youth enrolled in Tier 2 will receive the Wraparound facilitated planning process, which includes a Child and Family Team (CFT). The CFT is tasked to do "whatever it takes" to maintain the youth's placement and ensure progress toward the youth and family's goals. It is anticipated that youth in Tier II will have greater access to community and informal supports, which will help reduce recidivism. As discussed in the feedback session and as part of the discussion above, the CANS will be used to assist in making placement decisions as a guide to help the RMP process and CFT make and review placement and service delivery decisions.

As used by Open Doors: 1) Tier 2 Wraparound it is intended to ensure that there is typically a 60-day transition period at the end of Open Doors for the child and family with the CFT still intact while appropriate community supports fully embrace the child and family. 2) It may also be used for an extended period if the CFT determines this is the best means of treating and caring for the child and family. 3) It will be used to provide for Open Doors provider costs to sustain the CFT when the child is in an ITFC setting and the Open Doors provider is not an ITFC provider, when the child is hospitalized, or other similar circumstances occur. (Note that there are no placement costs associated Tier 2 Wraparound.)

The Tier 2 costs are noted throughout this response and the Funding Model document. In the "Attachment A" spreadsheet in the attached workbook, the Tier 2 cost is noted, and the resulting total cost of the arc of care is provided. However, except in spreadsheets "Attachment A" and "State Neutrality," the arc of care uses Tier 1 costs of $4,184 as a worst case scenario for reconciliation and neutrality calculations as noted in the spreadsheets named "County-Provider Reconciliation" and "State Neutrality."

LA Tier 2 rate is paid with county only funds and will not be captured on the RBS Manual Claim. However, for Tier 2 as well as all other costs associated with the Open Doors Arc of Care, LAC is prepared to collaborate with CDSS as discussed in the feedback session in developing a manual tracking method and spreadsheet that permits all costs to be manually tracked monthly. We note that this mechanism must provide for daily tracking of each child in Open Doors, which may then roll-up into the proposed monthly tracking and analysis. In addition, LAC has proposed a method calculating neutrality costs that recognizes the design of Open Doors provides for different rates in residential and community care. As part of the neutrality calculation, an accommodation has been made for calculating incomplete arcs of care at month 24, which uses a pro forma arc of care for children who not completed Open Doors and have been in treatment less than 24 months (See spreadsheet "State Neutrality").

1.2.7 For Flexible Services, the chart on page 11 includes an amount under Community Care at f., Flexible Services, in the amount of $4,476. This is the same amount as for c., ITFC. (Note: The Attachment 1 – Provider Cost

Sheet contains two amounts for Flex Fund Expenditures for FFEP/Flex Funds and for Wrap Around, but the implication is that those monies are included in the bottom-line rates of $3,900 and $4,184, respectively. The write-ups for Flexible Services in the FM narrative on pages 9 (item d) and 10 (item h) do not discuss amounts.

1.2.7.1 What is this amount of $4,476 for, how was it developed and would it be paid on top of or in-lieu of some other rate?

Response:

This table has been reformatted and restructured per the discussion during the feedback session, including updating the notes (See spreadsheet "Table 1" in the workbook submitted with this response.)

1.2.8 For Mental Health Services the chart on page 11 shows two rates: $5,000 when a child is in residential care, and $2,246 when a child is in community care. However, these amounts do not match the amounts shown on Attachment 1 – Provider Cost Sheet, Estimated EPSDT MHS (bottom-line). Those amounts are $6,030 and $2,160 respectively.

1.2.8.1 Why do these amounts differ? Do the amounts in the chart on page 11 represent budget estimates for billable EPSDT services that will occur, but may vary for each child?

Response:

EPSDT rates shown in Table 1 are estimates monthly costs per child of the typical Open Doors provider. The spreadsheet "Provider Costs" in the workbook submitted with this response are estimated costs built using the best estimates from the providers and County mental health professionals who designed the treatment model. The providers' current monthly costs will be used as an initial starting point and later reviewed to determine if the Maximum Contract Amount (MCA) should be adjusted.

1.2.9 Page 14, b., discusses Outlier Costs. This discussion indicates that the Open Doors Roundtable may determine that a child should be financially disenrolled from the Open Doors project. If this occurs, the child will be funded by the county and not counted further in the financial accounting for Open Doors.

1.2.9.1 Are the criteria used to determine whether a child is an outlier based on an assessment of the child's programmatic outcome, the child's financial costs, or both? If financial, is there a dollar threshold that has been established to define an "outlier"?

1.2.9.2 Does a child who is financially disenrolled remain in the Open Door project to receive further services, or is the child returned to a regular RCL placement? How will the county keep track of additional costs once the child has been financially disenrolled?

1.2.9.3 If a child is financially disenrolled, what fund sources will be used to pay for continued services? Also, does the statement on page 14 "The county will fund all approved care and treatment" mean the county will literally pay for 100% of costs out of county only funds, or does this statement mean the provider will not be responsible for further costs after financial disenrollment?

Response:

The potential to disenroll a child from Open Doors is tentatively identified by the CFT and referred to the Roundtable for a final decision. This decision is primarily a treatment and safety-based decision and financial considerations are made only after the CFT refers the case to the Roundtable for possible disenrollment. Each decision is made on a case-by-case basis and may result in the child being disenrolled from Open Doors or to continue in the Demonstration but with extraordinary steps taken to ensure that exceptionally high costs involved are handled outside the normal Open Doors funding, neutrality and reconciliation processes. In the case where these children continue to be treated by Open Doors but are disenrolled financially, the County will determine the most appropriate placement arrangement for the child. In either case, the child's treatment and financial data will be excluded from Open Doors.

In the case where the child is disenrolled due to an unplanned event or circumstance, the child's treatment and financial data will be retained within Open Doors.

It is important to note that Open Doors has a 'no eject, no reject,' and outliers and disenrollment are anticipated to be infrequent, reflecting the rare events that can occur while caring for and supporting the lives of the target population.

1.2.10 Page 15, e., discusses the concept of rewarding providers for reducing the length of stay in residential care. This section develops the approach to share any savings between the total of the actual care payments made to the Open Door provider and the $147,134 cap on a 50/50 basis between the county and the provider.

1.2.10.1 What procedures will the county use to make this type of payment? (Under normal federal and state rules, the county must incur a cost in order to be eligible to receive federal and state reimbursement. This remains a requirement even under the Title IV-E waiver.)

Response:

In the event a provider is to be "rewarded" for reducing lengths of stay, a credit account will established for the provider to request funds via a simplified proposal process to the Wraparound Administration Group. These funds will be drawn down by the provider per the approved proposal and claimed as appropriate at the time of their billing by the provider to the County.

Each provider will have their own independent analysis and reconciliation separate from the other providers in the Collaborative. As a result, any savings for the provider or payments to the county will be made based upon each individual provider's performance.

This is an internal county process for maintaining "rewards" but only claimed to the State when an actual, appropriate expense is incurred.

1.2.10.2 Attachment 2 provides an example of how this savings could be calculated. Please confirm that as used in this process, the $147,314 does not represent a hard payment cap to a provider, but instead represents an average cost base for each child participating in the program.

Response:

The spreadsheet "County-Provider Reconciliation" in the workbook submitted with this response provides an updated example per the feedback discussion illustrating how the savings are calculated; i.e the arc of care cost of $145,854 (as reflected by the rate cut), is used as the "planned average child cost" against which the savings calculation is made. The 50:50 split between the County and the provider has been maintained.

1.2.11 Page 17/18, refund discussion. As a reminder, because of the normal claiming rules still in place, any refund received from a provider pursuant to this described process would be reflected as a credit on claims filed by the county to the state.

Response:

As noted in 1.2.10.1 above, any savings will be put aside in a credit account and disbursed and claimed at noted.

2.1 In the FM, the county is proposing that Open Doors would start August 2009 and run for a two-year period (to July 2011). This, in effect, puts the initial 24-month RBS demonstration project within the Title IV-E waiver project window. In addition, the FM indicates there is the possibility to extend the RBS demonstration for an additional 12 months beyond the initial 24-month

period. This extension period would run beyond the Title IV-E waiver period. Because the county only has flexibility on the use of Title IV-E funds during the waiver period, the state's approval authority for the proposed approached in RBS will be limited to the period of time which coincides with the Title IV-E waiver agreement. The RBS MOU will reflect this limit.

Response:

Barring unforeseen circumstances, the Collaborative will conduct a 24-month demonstration and may be continued for another 12 months for a total of 36 months.

LAC understands that the term of the initial Title IV-E Waiver would end during the 12-month extension of Open Doors. Should LAC choose to extend Open Doors beyond the 24-month target, LAC will create a way to assess whether to continue without the Title IV-E Waiver. Los Angeles County (LAC) intends to seek a 90-day prior notice from the Federal Government should they intend to terminate the Waiver at the end of its term, currently planned for July of 2012. If the Title IV-E Waiver is not renewed, then the Collaborative will develop a transition plan to either 1) continue the Demonstration, which may include details for how the Demonstration will be continued for another 12 months; or 2) how the Demonstration will be terminated. In the event the Title IV-E Waiver is not renewed, it is conceivable that LAC would seek a new MOU including possible waivers from the State as appropriate for a new funding model. If this were successful, the Demonstration would continue under a new set of agreements with the State.

While running the demonstration under the Title IV-E Waiver, LAC agrees to the following, subject to other terms and conditions associated with its current financial reporting and claiming to the State:

a. LA County will be required to complete all necessary fiscal accounting activities and requirements as if it was not a Title IV-E waiver county—this ensures fiscal consistency in the evaluation of the pilot.

b. Providers will be required to time study for IV-E allowable costs, etc. (The State will provide instruction and information on how this will occur at a later date.)

c. LA County will be required to manually claim on a quarterly basis to the State. (This is a State fiscal resource/workload requirement.)

d. An estimate of first quarter costs for RBS implementation will need to be included in the MOU between CDSS and LA County to determine the amount of the first three monthly advances to the County.

e. Funds will be advanced to LA County on a monthly basis (1/3 of original quarterly estimate per month) then reconciled to actual costs after the quarterly manual claim process.

f. Future monthly advances will be higher or lower depending on the quarterly claiming and reconciling process of actual costs.

g. If there is conflict or need for clarification LAC reserves the right to proceed with current analysis, claiming and reporting until the conflict is resolved or the clarification has been completed.

2.2 One purpose of the overall RBS demonstration is to determine the feasibility of using alternative methods of funding foster care services to not only achieve improvements in programmatic outcomes, but also to determine if it is feasible to implement a new funding model in counties beyond the initial four in the demonstration. This will require the state to evaluate the viability of all four funding models, using common ground rules and assumptions that apply in all four counties. The following will be necessary in order to determine the feasibility of using Title IV-E funds in the future, without a Title IV-E waiver in place, if this project is successful and is proposed for continuation.

2.2.1 As with the other RBS counties, the Open Door provider staff will be required to time study their activities as they serve the enrolled children, segregating their time between those activities which will be eligible for Title IV-E, and those activities that must be wholly funded with state and county funds. This will provide the documentation needed to substantiate the levels of Title IV-E allowability that exists in each component of the project. The state will collaborate with the four demonstration projects in the near future to set forth guidelines and requirements in this area to promote consistency across the four projects.

2.2.2 The county will prepare the fiscal claims for RBS, using Title IV-E allowability rates that are based on the information obtained from this time study approach. This will produce different levels of Title IV-E funding within the various segments of the program. The benefit of this approach is twofold: Consistency for evaluation across all four projects, and accuracy for determining the potential level of use of SGF within the Open Doors project.

2.2.3 The county must modify Attachment 3 (State Attachment A), developing new percentages for the estimated use of Title IV-E, based on an analysis of proposed provider costs and activities. For example, the residential component which now assumes 93.5% Title IV-E funding for the $10,194 rate, could be displayed in two parts as the RCL 13 rate (from Attachment 1) with 93.5% Title IV-E, plus the flex/services component of $3,900 with no Title IV-E eligibility. Or other Title IV-E allowable percentages could be substituted based on an analysis of the activities and costs of the providers. The same must be done for the Wrap Tier 1 and Tier 2 rates.

2.2.4 To facilitate the changes needed to Attachment A, the county should examine each element of cost in Residential Treatment (a-d) and Community Care (e-h), identified on pages 8-11, to determine which elements can be wholly or partially funded with Title IV-E. This will assist in estimating the new Title IV-E percentages. These level of these activities will then be confirmed for Title IV-E allowability through the time study process.

2.2.5 While correcting Attachment A for the Title IV-E allowability rates, the county should ensure that the federal Title IV-E discount rate applied in both the top and bottom sections of the form is consistent. Currently the percentages used in each section differ.

2.2.6 The chart on page 11, which provides a useful summary to the overall rate structure being proposed for use in the Open Doors demonstration, should be modified to include in the Source of Funds column the estimated percentage of IV-E funds that would be allowable in each component.

2.2.7 The county will ensure that after 12 months of operation, the providers' actual activities as determined by time study are examined in relation to the initial estimate of Title IV-E allowability, and adjustments to the Title IV-E allowability rates may be necessary. This is procedure is not linked to the county's proposed procedure to essentially audit and adjust the overall provider rates at the end of the 24 month project period.

2.2.8 Claiming for RBS will be based on whether a child is eligible for Title IV-E, as with the current FC system. Non-IV-E eligible children will not draw Title IV-E funds in the RBS manual claiming process.

2.2.9 The county will need to modify the statement on page 21 regarding federal funds being maximized because the RBS rates are increasing over current foster care rates. Federal funds use may actually decrease because of the high costs of services provided in the project, plus shorter stays in FC.

Response:

The above approach is consistent with the response provided for item 2.1 regarding the County's attempt to demonstrate how the RBS project might proceed if it were to become a non-waiver county.

3.1 BASE FOR COST NEUTRALITY

The following information was provided on page 21 regarding the establishment of a base for cost neutrality comparison.

- **Group chosen for comparison – Children served during 2007/08 by providers in Open Door.**
- **Average length of stay in FC – 44 months**
- **Most recent placement length – 24 months**
- **Placement levels – Composite rate developed from weighted average of 36 RCL 12 beds with 16 RCL 14 beds.**
- **Weighted average cost - $6138 month; $147,314 for 24 months.**

The lengths of stay from page 21 do not match the information provided in the Voluntary Agreement in Table 1 on page 12, which provides demographic information for the following, and in particular for the Open Door providers:

- **Total number of children in comparison group -79**
- **Average age - 12.5 years**
- **Total Average FC career – 63.2 months**
- **Total Average Group Home career – 32.4 months**
- **Last Average Group Home career – 21.5 months**

As stated at 1.1.2, the based used for determining cost neutrality must be supported by demographic information related to the children currently served. Using Table 1 as the base for support, several questions arise regarding the proposed cost neutrality base.

Response:

The table in 1.1.1 is the correct demographic information and has been used as the basis for calculation of cost neutrality.

3.1.1 Was the maximum arc of care of 22 months selected based on the current statistic for Last Group Home Career of 21.5 months for those children with Open Doors Providers?

Response:

Yes.

3.1.2 If the Total GH Career for children in RCL 12/14 is 20.2 months on average, why is the funding base for cost neutrality based on 24 months of payment? Table 1 by itself does not appear to contain information that directly supports a 44-month average stay in foster care, or a 24-month length of most recent placement. Is there other information that should be used to support the proposed cost neutrality base?

Response:

See 1.1.2

3.1.3 There are significant differences in the data in Table 1 for Total GH Career and Last GH episode between the Open Door Provider children and Children in RCL 12/14 Combined. The Open Door project initially serves only current Open Door children, so the proposed cost neutrality base is almost representative of the demographics of the children being served. But when the project starts to include children from the broader RCL 12/14 placement group, the proposed cost neutrality model no longer matches what is currently happening from a funding perspective. For example, currently an Open Door child is in GH placement for an average of 32.4 months. However, the children coming from the broader placement group only have GH placement stays that average 20.2 months. The proposed cost neutrality base must be reflective of the group of children that will be served during the 24-month project. Is there other information available to support the proposed cost neutrality base?

Response:

See 1.1.2

3.2 PAYMENT CAPITATION TO GUARANTEE COST NEUTRALITY

Page 14, d., discusses payment capitation to guarantee cost neutrality. This section describes the weighted average methodology to develop the $147,314 currently spent on a child in the target group over a 24-month period. This amount is presented in total dollars.

3.2.1 Cost neutrality as applied in RBS is at the State General Fund (SGF) dollars level. It is a good administrative tool to have a total funds level established to monitor and control contract costs with each provider. However, in order to meet the state needs to measure cost neutrality at the SGF level, the county will need to modify the discussion and attendant procedures for cost neutrality in the FM to add the procedures necessary to measure and evaluate cost neutrality at the SGF level. This will allow the county to calculate the level of SGF used in Open Doors, in conjunction with the changes for determining the level of use for Title IV-E discussed above

Response:

In general the Collaborative agrees with this statement. However, it is our intent to create maximum flexibility to quickly move funds to specific child and family needs (one of the shortcomings of the current system) or to support treatment design

changes as identified by the CFT, or the Open Doors Roundtable. There are audit implications that have not yet been determined and the outcome of those discussions may have impact on funding and treatment. In principal, LAC supports a QA type of audit approach versus the current 'RCL rate audit approach'. We believe an audit should address whether the intent of the MOU is being managed to, safety and treatment standards are being maintained, costs recorded and reported are accurate, allowability is addressed, and neutrality is achieved. If this is done, then we believe child and family needs will be met and the State, County and provider interests will be protected.

3.3 RECONCILIATION

Page 15, Reconciliation, a., plus Attachment 2, discusses the financial reconciliations that will be done for each provider at the 24-month end of the project. The costs included in this reconciliation will be for children who have been enrolled for the entire 24-month period, or who have successfully entered and exited the program within the 24-month period. The proposed approach excludes children who did not successfully exit (participation terminated), and children who have entered but not yet exited. Outlier children are excluded as well.

3.3.1 The proposed approach to limit the costs included in the reconciliation will result in less than full disclosure and analysis on the use of SGF in Open Doors. How does the county propose to reconcile the costs for other children served by the project, for example the costs for the 16 children on Attachment 2 who are in the program during only part of the 24-month period? It is important that the cost neutrality methods proposed meet the statutory requirement for the RBS project.

Response:

As discussed in the feedback session, LAC has developed a model for a hypothetical 10-bed facility and has demonstrated cost neutrality approach discussed in the General Agreements and Assumptions, item 5 (See spreadsheet "State Neutrality" in the workbook submitted with this response).

3.3.2 How will the reconciliation address children who are considered outliers? Will the costs for these children be capped or otherwise adjusted based on the discussion above for Outlier children?

Response:

See the discussion under item "1.2.9.1-3 Outliers and Disenrollment."

3.3.3 Will the county also perform a reconciliation for the project as a whole, which includes all providers, at the end of the 24-month period, in order to determine the overall effect on the use of SGF in Open Doors?

Response:

Per the feedback discussion, the County agreed to provide a full County reconciliation for Open Doors after month 24 of the Demonstration. The State will provide LAC with a process and forms to complete this as mutually agreed upon. Item 3.3.1's response bears on this conversation, as it addresses how to handle children whose arc of care has not completed in the 24-month demonstration period.

3.4 RECONCILIATION/COST NEUTRALITY

Page 15, Reconciliation, b., states that because the county is a Title IV-E waiver county that State cost neutrality is already assured. Like the other RBS demonstration counties, Los Angeles County will follow the same procedures for determining the SGF cost neutrality based on the methods and procedures established by the state. However, unlike the other counties, if at the end of the SGF cost neutrality calculation it is determined that an amount of SGF has been used beyond that which would have otherwise been used for regular foster care, a repayment to the state would not be required provided the county has stayed within their Title IV-E waiver limits, because the waiver also provides the county with significant flexibility on the use of SGF as well. This approach will provide the state with the necessary information to fairly evaluate the fiscal aspects of the Open Doors project, while minimizing exposure to the county of risks associated with a loss of Title IV-E funds in a high cost environment.

3.5 COMMENT: OPEN DOORS FUTURE

Page 17, Open Doors Future, a. – c., discusses future steps that will be taken if the project is extended beyond the 24 months. Each of the steps identified (determining actual costs, setting a new rate, and requiring a refund if appropriate) is commendable and demonstrates due diligence in the operation of the demonstration project.

4. ATTACHMENTS 1 THROUGH 4 AND FISCAL ASPECTS OF WAIVER REQUEST:

4.1 ATTACHMENT 1 – PROVIDER COST SPREADSHEET

4.1.1 The amounts shown for Total Direct Costs in the Total AFDC column and in the Program Total column are not correct. The amounts shown for Total Program Costs in the Total AFDC column and in the Program Total column are not correct. Please correct the spreadsheet, and ensure that all other cells are properly displaying the intended information. It would also be helpful to print the spreadsheet on a single page.

4.1.2 The estimated cost per client for group care and total augmentation ($7,066 and $3,128, respectively) differ significantly from the proposed rates of $6,294 and $3,900, respectively, even though the totals are the same. What is the rationale for proposing rates that are significantly different than the estimated actual costs, and won't this affect the reconciliation to determine if a refund is owed or a rate adjustment is necessary at the end of the 24-month period?

4.1.3 The same situation is present for the rates shown for Wrap Services, although the Funding Model would explain the use of the $4,184 rate for Wraparound Tier 1 due to the fact it is a pre-existing rate.

4.1.4 For Mental Health Services, the estimated costs for group care and community care are $6,030 and $2,160, respectively. The previous question at 1.2.8.1 regarding mental health services being funded at $5,000 and $2,246, respectively, applies here as well.

Response:

A new Provider Spreadsheet is provided as an attachment. It includes and addresses the following:

a. The State 10% AFDC-FC rate reduction was applied to the RCL-13 rate, which was used to create the Open Doors residential rate. The reduction was not applied to the 'patch' or Wraparound.

b. The RCL-13 rate used in developing the proposed Open Doors residential rate was chosen because the LAC demonstration waived the RCL system and the treatment design addressed the integrated needs of RCL-12 and -14 children as experienced in Los Angeles County. The 'patch' was then developed to address the additional costs of child and family needs that have historically been unmet and the mobile nature of the treatment milieu.

c. The rate for residential care includes all costs to provide for board and care and the mobile treatment milieu while the child is enrolled in the residential component of the Open Doors arc of care. (Note: Discussions about allowability are under way with providers, California Alliance of Children and Family Services, CDSS, and the County. It is anticipated that these conversations will produce a position for CDSS to review and disseminate for the County and providers to use as they complete their allowability analysis. LAC anticipates implementing these recommendations, perhaps with approved modifications, in a timely manner to support the joint needs of the State and County.)

(See spreadsheet "Provider Costs" in the workbook submitted with this response.)

4.2 ATTACHMENT 1 – PROVIDER COST SPREADSHEET, RBS SCENARIO MODELING WITH RISK/REWARD: MODELS 1, 2 AND 3

Response:

As noted in the feedback session, the sheets identified were an artifact of developing the Provider Cost Spreadsheet. These extraneous sheets are not present in the new submittal as part of this response.

4.3 ATTACHMENT 2 – OPEN DOORS PAYMENT RECONCILIATION

4.3.1 This Reconciliation sets forth a visual and numerical example of following the reconciliation method outlined in the Funding Model. The question at 3.3.1 regarding the county's intent to reconcile the costs for the 16 children not included has been discussed earlier, but applies here as well.

4.3.2 The example for Bed 5 indicates a funding level paid for 24 months equaling $160,562, yet the FM indicates that the maximum arc of care is for 22 months, and the maximum payment that can be made for an individual child is $147,314. Please provide an explanation for the example in relation to the FM limits.

4.3.3 On this Reconciliation the $147,314 cap is used as an average per child, instead of a hard cap per child as stated in the FM narrative at page 6. What is the county's intent with regard to cost overruns with individual children? Are costs capped as stated in the FM, or will costs be incurred and offset from savings on lower cost children in the reconciliation. This Reconciliation may require modifications to reflect the county's intent.

4.3.4 Also, with regard to sharing the savings, which in this Reconciliation is $224,422, the question was previously asked at 1.2.10.1 was how the county would propose to accomplish this. This question applies here as well.

Response:

The new reconciliation spreadsheet provides the analysis per the feedback session (See the entire response under item 3.1 and subs).

4.4 ATTACHMENT 3 – RBS ATTACHMENT A PROVIDER COST MATRIX (STATE ATTACHMENT A)

4.4.1 Although this sheet has been completed correctly, it was previously discussed that the assumption of federal funds eligibility is too high at the 93.5%, given the level of intensive services that are provided by the

project. Also, the penetration rate of 77.9% is most likely the county's current penetration rate, however, the bottom section of this form uses 70% as the penetration rate for the calculations. These two should be the same number.

Response:

See the revised "Attachment A" provided with this response.

4.5 ATTACHMENT 4 – RBS ATTACHMENT B ACTIVITY ALLOWABILITY INVENTORY

4.5.1 Each RBS county has included at Attachment B activities that the counties would like to pursue for Title IV-E funding. As stated earlier, the state will collaborate with the demonstration counties to establish guidelines and procedures for Title IV-E allowable activities. This information will be used to establish the time study requirements to be used by the providers. After this process is completed, the activities that are presented in this Attachment may be found not to be eligible for Title IV-E, or other activities may be found to be eligible for Title IV-E

Response:

See item 4.1.1-4.c.

4.6 FISCAL ASPECTS OF WAIVER REQUEST –

The county raises specific points in the waiver request regarding allowable and reasonable costs versus actual costs, including citations to federal regulations. These points are being examined and any questions or comments will be provided shortly in a separate transmittal for discussion. The county is reminded that the CDSS has no authority to waive federal statutory or regulatory requirements, beyond those which were specifically waived by the federal agency approving the Title IV-E waiver.

Response:

It is noted that LAC's Department of Children and Family Services (DCFS) is participating in the Title IV-E Child Welfare Waiver Capped Allocation Demonstration Project, authorized under WIC Section 18260, which began July 1, 2007 and ends June 30, 2012, and allows the flexible use of federal and state funds previously restricted to payment for the care and supervision of children in out of home placements and administrative expenditures. In addition, on June 26, 2007, the Director of the California Department of Social Services released a legal notice waiving certain statutes and applicable regulations, including WIC Section 11462, for counties participating in the Capped Allocation Demonstration Project, subject to approval of their submitted requests to utilize "alternative methods and procedures" that meet the intent of the waived statues and regulations. As a result, LAC intends

to waive the Welfare and Institutions (WIC) Code Section 11462, Group Homes and Public Child Care Institutions; standardized schedule of rates; and associated regulations for its Open Doors Demonstration.

The Open Doors Voluntary Agreement, Funding Model, Waiver Request (submitted June 3, 2009) and this Feedback Session Response constitute our request and plan to use "alternative methods and procedures" in support of our request to waive WIC Code Section 11462.

RBS (OPEN DOORS) AUDIT REQUIREMENTS (NOT DISCUSSED IN THE FEEDBACK SESSION)

The Collaborative understands that CDSS' Rates and Audits Department is developing guidelines for auditing RBS. We look forward to participating in the discussions and will support this effort however CDSS may desire. Since the entire system of care has been transformed by Open Doors, we anticipate that it will take the same kind of out of the box thinking to responsibly audit Open Doors as it did to design it (See discussion under item 3.1 in this document).

CLARIFICATION OF FLEX FUNDS (NOT DISCUSSED IN THE FEEDBACK SESSION)

Flexible funding, abbreviated "Flex Funds," are used to support a variety of child and family needs and activities in typically short-term, rapid response situations where the CFT makes a decision that unique service levels/needs are to be addressed. All Flex Funding needs will be identified by the CFT and documented in the plan of care. Flex Funds are essential to support a proactive, urgent, and permanency-driven treatment model that must able to 'flex' to keep up with rapidly evolving child and family needs in support of maintaining safety and expediting permanency. The philosophy behind the use of Flex Funds is to permit teams "on the ground" to make rapid response decisions in the best interests of the child and family to address unique and critical needs in a timely manner that would otherwise go unmet.

Typical uses for Flex funds include but are not limited to:

- Support of special child needs such eating disorder treatment, special social activities, unique educational opportunities, medical and/or dental needs not covered by MediCal, celebrating special events and milestones, certain skill and vocational related experiences, etc.
- Providing family member support such as employment counseling, basic family management skill building, attending special child and/or family related events, unique travel needs, special accommodations for family's living needs, therapeutic and/or medical needs not covered or unavailable at the time of need, etc.
- Unique and individualized care and treatment staffing requirements and/or purchase of services and goods to support unexpected child and family needs

both during residential and community care phases including but not limited to costs associated with family finding, engagement, preparation and support; respite; crisis-intervention; and graduation from Open Doors.

These funds are available to the CFT and the associated mobile treatment teams. Specific procedures for authorization, spending limits, time limits, and reporting for these funds will be determined by each provider in accordance with their policies and procedures and approved as necessary by the Open Doors Roundtable.

GLOSSARY OF TERMS

Term/Acronym	Definition
APSS	Adoption Promotion and Support Services
AFDC-FC	Aid to Families with Dependent Children – Foster Care
BOS	Board of Supervisors
CAFAS	Child and Adolescent Functional Assessment Scale
CANS	Child and Adolescent Needs and Strengths Assessment
CAPIT	Child Abuse and Treatment
CARF	Commission on Accreditation of Rehabilitation Facilities
CCCP	Client Care Coordination Plan
CCL	Community Care Licensing
CDSS	California Department of Social Services
CFT	Child and Family Team
COA	Council on Accreditation
CSW	Children's Social Worker
CWS/CMS	Child Welfare Services Case Management System
DCFS	Department of Children and Family Services
DMH	Department of Mental Health
EPHI	Electronic Protected Health Information
FFA	Foster Family Agency
ISC	Inter-agency Screening Committee
ITFC	Intensive Treatment Foster Care

JCAHO	Joint Commission on the Accreditation of Healthcare Organizations
LAC	Los Angeles County
LATC	Los Angeles Training Consortium
MAT	Multi-disciplinary Assessment Team
MOU	Memorandum of Understanding
NPS	Non-Public School
NREFM	Non-Related Extended Family Members
OHCMD	Out-of-Home Care Management Division
PIP	Program Improvement Plan
QA/QI	Quality Assurance/ Quality Improvement
RBS	Residentially-Based Services
RCL	Residential Classification Level
RMP	Resource Management Process
RUM	Resource Utilization Management
SIP	System Improvement Plan
SPA	Service Planning Area
TBS	Therapeutic Behavioral Services
TDM	Team Decision Making
THP	Transitional Housing Program
THPP	Transitional Housing Placement Program
TIER	Totally Integrated Electronic Record
YMO	Youth Moving On
YSS/ YSS-F	Youth Satisfaction Survey / Family

MOU #10-6020
Attachment I, Exhibit 4 -
Los Angeles RBS Addenda Received
August 24, 2009

Table 1 Monthly Cost of Open Doors Care[1, 10] (revised 8.17.09)

Component of Care	Planned LOS In Months	Cost of Care per Month	Source of Funds	Percent Title IV-E Allowable[12]	Notes
1.Residential Care[2, 3, 4]					
a. Residential Care and Treatment	≤ 10 mos	$9,565 (10% reduction applied to RCL 13 component)	Title IV-E Maint & Admin and State AFDC-FC & Admin		▪ Provider cost details are found in the "Provider Cost" tab of the workbook
b. Child and Family Team					
c. Family Finding, Engagement, Placement and Support (FFEPS)					
d. Flexible Services					
2. Community Care	≤ 12 mos		Title IV-E Maint & Admin and State AFDC-FC & Admin		▪ See note above
a. Tier 1 Wraparound[5, 9]	--	$4,184			▪ Tier 1 costs used for funding purposes throughout, except for Attachment A
b. Tier 2 Wraparound[5, 9, 11]	--	$1,250			▪ Tier 2 Wrap is funded through county funds, not Title IV-E or State funds
c. ITFC	--	$4,476			▪ Maximum ITFC rate used for planning purposes
d. Respite[6]	≤ 14 days/espisode	See note 6			▪ Respite included in the appropriate rate for community care
e. Bridge Care[7]	--	≤ $4,476			▪ Bridge care is funded through the appropriate community care component in use for the bridge care placement
f. Flexible Services					▪ Flexible Services are provided as part of the appropriate Community Care and associated rate
g. Crisis Stabilization[2, 3, 4]	≤ 14 days/espisode				▪ Crisis Stabilization is included in the Open Doors residential rate
3. Mental Health Services[8]:					Provider EPSDT costs are detail in the "Provider Costs" tab of this workbook
a. Residential Care	≤ 10 mos	$6,000	EPSDT		
b. Community Care	≤ 12 mos	$2,246	EPSDT		

Notes:

1 Both the initial reconciliation and the State cost neutrality period for the Demonstration are 24 months.

2 Residential treatment paid at $9,565 is limited to a total 10 months with an expected average of 9 months as needed over the arc of care and includes up to 14 days of Crisis Stabilization. During this time, parallel Wraparound services will be integrated into the residential treatment milieu and augmented with FFEPS where needed to support the child's permanency goals.

3 In cases where a child returns to Residential Treatment for Crisis Stabilization and the stay exceeds 14 days, the episode will become a Residential Treatment placement and the rate will be $9,565/mo. beginning at day 15. (See item #4 below.)

4 If the total time for all stays in residential treatment exceeds 10 months, then the provider will be paid the Tier 1 Wrap rate of $4,184 minus foster care placement costs for the remainder of the arc of care whenever the child is in residential treatment. The exception is for Crisis Stabilization, which is provided for in the Open Doors residential rate of $9,565/mo.

5 Tier 1 or 2 Wraparound will be offered throughout the Open Doors episode following Residential Care. It is noted that the Tier 1 cost of $4,184/mo has been used throughout the funding model, except for Attachment A.

6 Respite will be offered via some form of community-based care as determined by the CFT and will be covered at the appropriate Community Care rate minus foster care placement costs for the 'then in use' child's placement. If the respite LOS exceeds 14 days, then a suitable alternative placement will be determined by the CFT.

7 Bridge Care will be offered to children who are ready to live in a family setting but whose family is not ready for the child to join them in the home. This service may occur in any of the Community Care settings.

8 Mental health services funded through EPSDT are based upon estimates develop by the Wraparound Administration organization and includes TBS, psychiatry and medication support. EPSDT utilization will be monitored the provider's MCA may be adjusted.

9 The LAC Open Doors Demonstration will serve a total of approximately 160 children, and it is projected that 104 Wraparound slots will be used to support Open Doors at any one time. Other analysis has been performed; for example, if the residential LOS average is reduced to six months, a total of 156 slots will be used and has been planned for as a contingency but not included in the funding model analysis.

10 A possible extension of 12 months may be authorized for Open Doors based on County and the State decisions to be made by the 24th month. It is anticipated that the Director of DCFS will have delegated authority to extend the Demonstration contracts should this be desired.

11 Tier 2 Wrap can be used for but is not limited to the following:

a) Ensure that there is typically a 60-day transition period at the end of Open Doors for the child and family with the CFT still intact while appropriate community linkages and natural supports fully embrace the child and family.

b) It may also be used for an extended period if the CFT determines this is the best means of treating and caring for the child and family.

c) It may be used to provide for Open Doors provider costs to sustain the CFT when the child is in an IFTC setting and the Open Doors provider is not an ITFC provider.

(Note that there are no placement costs associated with Tier 2 Wraparound.)

12 Title IV-E allowability is being discussed jointly by the demonstration sites, the Alliance and the State. As soon as these conversations are complete this column will be populated.

MOU #10-6020
Attachment I, Exhibit 4 -
Los Angeles RBS Addenda Received
August 24, 2009

ATTACHMENT A: RBS Funding Model Cost Neutrality for Los Angeles County County[1]

SECTION 1: ESTIMATING COSTS OF RESIDENTIALLY-BASED SERVICES PROGRAMS

Los Angeles is requesting approval from CDSS for the use of an RBS alternative funding model. The RBS providers use an RBS case rate of $9,565 for residential care (RCL-13 x 90%) and the County approved Wraparound rates for Tier 1 and 2 of $4,184 and $1,250 respectively while in Community Care. (Note: No Wrap cut and Tier 2 Wrap is funded with County funds.)

The figures in RED are assumptions, which can be changed, about estimated RBS costs, current estimated average length of stay in group homes for the target population, and percentage of the target population which is Federal Title IV-E eligible.

The figures in BLUE are computed using these assumptions and will be recomputed automatically if the assumptions are changed.

15 — 10% Cut Analysis from Composite RCL Rate (no Wrap cut)

9 Months of RBS Group Care, 6 Tier 1 Wraparound, 2 Tier 2 Wraparound

RBS Program Components		A. Average Unit Costs (per month)	B. Percentage of Costs which are Eligible as Federal IV-E Maintenance Payments	C. Federal Share @ 50% (A x 50%)	D. Average Duration of Service (in months)	E. Average Utilization (percentage of children/ families receiving the service)	F. TOTAL STATE AFDC-FC COSTS (per child) (A x D x E)	G. Costs which are Eligible as Federal IV-E Maintenance Payments (per child) (B x C x D x E)
	Residential (Res Tx) Foster Care and Parallel Family Services							
1	a. TOTAL costs	$ 9,565			See Note 6			
	b. Minus unallowable costs (zero)[3]	$ 9,565	93.5%	$ 4,782	9.0	100.0%	$86,081	$ 40,243
2	Family Foster Care Tier 1 Placement Payments	$ 2,000	93.5%	$ 1,000	6.0	33.3%	$4,000	$ 1,870
3	Family Foster Care @ Tier 1 Wraparound (unallowable)	$ 2,184	0.0%	$ -	10.0	100.0%	$21,840	$ -
4	Crisis Stabization (30 days used vs. 36 days planned)	$ 4,184	93.5%	$ 2,092	1.0	100.0%	$4,184	$ 1,956
5	Family Foster care @ Tier 2 Wraparound[4] ($1,250/mo)	$ -	0.0%	$ -	2.0	100.0%	$0	$ -
Average Total Costs of an RBS Placement for					22	Months	$116,105	$44,069
Total Costs NOT Eligible as Federal Title IV-E foster care maintenance payments								$72,036
70.0%			Total Federal IV-E foster care maintenance payment funding available:				30,848	26.6% of total RBS costs
Net State/County Costs after Title IV-E Reimbursement							$85,257	73.4% of total RBS costs

SECTION 2: ESTIMATING CURRENT COSTS OF TRADITIONAL GROUP HOME PLACEMENTS

Current 2008-09 AFDC-FC Group Home Rates [per month]		Federally-Allowable Portion of AFDC-FC Rate	Costs: Per Child Per Month for a federal Title IV-E Eligible Child: Federal Share @ 50%	State Share @ 40% of Nonfederal Share	County Share @ 60% of Nonfederal Share	Combined State and County Share	
RCL-10	$ 5,092	91.27%	$ 2,324	$ 1,107	$ 1,661	$ 2,768	54.4% of total costs
RCL-11	$ 5,490	91.27%	$ 2,505	$ 1,194	$ 1,791	$ 2,985	54.4% of total costs
RCL-12	$ 5,891	91.27%	$ 2,688	$ 1,281	$ 1,922	$ 3,203	54.4% of total costs
Composite rate[2]	$ 6,294	93.50%	$ 2,942	$ 1,341	$ 2,011	$ 3,352	53.3% of total costs
	$ 5,524	93.50%	$ 2,583	$ 1,177	$ 1,765	$ 2,942	53.3% of total costs

Period (in Months) over which Cost-Neutrality will be Evaluated	24	Percentage of Children Eligible for Federal Title IV-E Payments	70.0%

Current Total Costs for an Average Group Home Placement		Federally-Allowable Portion of AFDC-FC Rate	Current Costs for an Average Group Home Placement: Federal Share @ 50%	State Share @ 40% of Nonfederal Share	County Share @ 60% of Nonfederal Share	Combined State and County Share	New Costs/ (Savings) with RBS Program [per child]	Current Distribution of the RBS Target Population among the RCLs
RCL-10	$ 122,286	91.27%	$ 39,039	$ 33,268	$ 49,902	$ 83,169	$ 2,088	0%
RCL-11	$ 131,760	91.27%	$ 42,090	$ 35,868	$ 53,802	$ 89,670	$ (4,413)	0%
RCL-12	$ 141,384	91.27%	$ 45,164	$ 38,488	$ 57,732	$ 96,220	$ (10,963)	0%
Composite rate[2]	$ 151,056	93.50%	$ 49,433	$ 40,649	$ 60,974	$ 101,623	$ (16,366)	0%
	$ 132,582	93.50%	$ 43,388	$ 35,678	$ 53,517	$ 89,195	$ (3,938)	100%
			RCL-Weighted Average Costs/(Savings) per child:				$ (3,938)	

Draft - Los Angeles County Response
October 21, 2009

SEPTEMBER 24, 2009 CDSS FEEDBACK ON THE LOS ANGELES RBS FUNDING MODEL

Los Angeles County has submitted a package to respond to CDSS questions and concerns on the RBS demonstration project. These were transmitted via letter and discussed with the county on July 28, 2009.

LA has submitted a written response to the programmatic questions, a written response to the questions on the funding model, and an EXCEL workbook containing six documents: a new list of general principles, a revised Table 1 with updated rate information, a revised provider cost sheet/budget, a new Attachment A, a revised provider reconciliation sheet, and a new state neutrality sheet.

The following comments are directed to the Funding Model narrative and accompanying information in the EXCEL workbook:

Narrative:

Los Angeles County has responded to the points and questions raised by CDSS in the Funding Model. The county has provided additional information on certain aspects of the proposal, including several items placed in the parking lot on July 28th.

There are several areas where either clarification or additional information is required. To the extent that these are related to the construction or use of the rate, resolution is required before final approval of the MOU. Other points are associated with follow-on activities that the state and county will work on to implement the demonstration project through the MOU. All of these points are identified in *italics*. The specific questions in red font are to be addressed in writing following the planned October 6, 2009, feedback conference call.

Parking Lot Items from July 28th:

Item 1.2.6 – Tier 2 Wrap payments of $1250 per month, which are paid for with 100% county funds, will not be captured on the RBS Manual Claim. Los Angeles County has included Tier 2 Wrap rate on both the Table 1 and Attachment A, which will be funded with 100% county funds. Currently the Attachment A and proposed CDSS claims for RBS do not address costs that are funded with 100% county funds. The county proposes that Tier 2 Wrap payments can be accounted via a manual tracking method and spreadsheet developed with the assistance of the state. *Additional work will be required by CDSS to address this.*

Response: Noted, no action required by Los Angeles County (LAC)

Item 1.2.10.1 – What procedures will be used to make the reward payment to Open Door providers who have lower costs than average at the 24 month reconciliation? The county has added additional information indicating that a credit account will be established to capture these saved funds, and each provider will be able to submit a request to draw on these funds to the Wraparound Administration Group. The county further indicates that if the proposal is approved, the provider would bill the cost to the county, and the county would in turn claim the billing as appropriate, with the billing serving as the expense necessary to draw state funds. The county did not specifically address what funds would be used to make this payment. *A clear statement as to what funds are used to make this payment is needed. If the county does not propose to use SGF to fund the incentive, then the following points take on less importance in finalizing the Funding Model.*

Response: Los Angeles County now intends to fund approved provider projects from the Multi-Agency Cost fund, which are funds realized from Wraparound savings and will not be included in future claims.

1. The process to make the incentive payment, as described above, is outside of the RBS rate proposal in the Funding Model. This type of payment has not been addressed within the context of RBS claiming and reporting structure. *If this incentive payment approach is approved, additional work will be required by the CDSS to develop a method for the county to track and claim these funds, and to ensure that any State General Fund (SGF) used in the payment is appropriately accounted for.*

   Response: See above. LAC will ensure that CDSS is aware of the approved projects and the payments made to the provider.

2. Although this incentive payment cannot take place before the provider's 24-month financial reconciliation (as described in the Funding Model), there are two concerns about the proposed process if SGF is to be used in the payment.

   - One specific concern is with using SGF to fund a portion of the incentive and whether or not SGF would be available from the cost-neutrality determination to do so. Only funds that remain after paying for the costs of all children served during their 24-month period program period would be potentially eligible for use in an incentive payment process. *This would require completion of the SGF cost neutrality determination for each child in the project, based on its individual actual costs, to ensure that surplus SGF is available.* From a timing perspective this could move any SGF funding of the incentive beyond the 24-month measurement point.

   - A second concern is with the paying of an incentive to the provider before the Auditor Controller does the final determination of actual cost. *Procedurally, if the provider owes a refund to the county after this audit, it*

does not seem to make sense to pay them an incentive payment at the same time. In addition, the provider will already have had the potential to retain up to a 10% variance between the rates paid and the true actual cost determined at time of audit, which in itself is a form of incentive.

Response: See above. Incentives will not be approved before LAC performs the appropriate audits following the initial Demonstration period.

Related discussion is also included below under County-Provider Reconciliation.

Open items based on resubmission of August 24th:

Item 1.2.9.3 – What fund sources will be used if a child is financially disenrolled from the project? The county has clarified that a child will go through a programmatic review by both the CFT and the Roundtable to determine if disenrollment is required. They also clarified that if at all possible the child will remain in Open Doors but could be disenrolled financially. The county states "the county will determine the most appropriate placement arrangement for the child," which potentially implies the child may still be served by Open Doors but may be in a different physical setting than an Open Doors provider. The county did not state what fund sources will be used if a child is financially disenrolled. *The county must provide a clear description of how a child who remains in Open Doors will be funded if they are "financially disenrolled."*

Response: LAC will fund any child "disenrolled financially" through the same mechanisms used for any child with exceptionally high care and treatment costs. This may include but is not limited to mental health funding, SSI, unique contracting with the provider, etc. or combination of the above. The costs associated with such a child will be reported to State.

Children, who leave the Demonstration in an unplanned manner, will have their data included in the reporting and evaluation of RBS.

Clarification is needed whether "retaining or excluding" data and costs from Open Doors references the evaluation report on programmatic outcomes, the financial data on overall cost and cost neutrality, or both. A discussion of the rationale for each approach would also be beneficial to understand the dynamics of what constitutes a total view of the project.

Response: The overall cost reported to the State for the RBS demonstration will include all costs incurred by the providers and County to serve the needs of the child as long as the child is enrolled in RBS for care and treatment with the noted exceptions for disenrollment, which have been discussed extensively with CDSS. The rational for doing so was two fold: 1) The total costs to treat children in RBS must be known if the State is to accurately and responsibly create a new system of care involving children who need residential care and treatment, and 2) A single child with exceptionally high costs can skew a provider's entire demonstration, and the LAC Treatment and Financial Teams did

not want to design the demonstration to treat a *financial outlier* as a "common cause' factor in the design of the RBS Demonstration. To do so would have significantly degraded the teams' ability to meet all the stakeholder's needs, which most importantly was the child and family needs. (Note: as discussed in the VA an funding model, the planned disenrollment of a child requires the Child and Family Team to bring such a matter to the Open Doors Roundtable, which includes senior leadership from DCFS, DMH and the providers. The Roundtable makes the final decision based upon what is best for the child before any other consideration is taken into account.)

Item 1.2.11 – Refund Discussion. The county response describes taking any refund from the end-of-program audit and placing it in the credit account. One of the reasons for the end-of-program audit performed by the county (as described in the Funding Model) is to determine whether the Open Door provider received payments from the county through the rate process, which substantively exceed their actual costs. If so, this is viewed as an overpayment and would be refunded to the county for offset in the county's claim to the state. The other reason stated for performing this audit is to establish the follow-on rate, especially if it is found that RBS costs were higher than the RBS rate.

The credit account referred to in the statement, on the other hand, is intended to capture the incentive which is based on whether the provider shortened the stay, or overall cost, associated with an RBS child in comparison to the level of funding for a regular foster care stay.

The Funding Model should be clear that the refund from the audit is not placed into the credit account for the incentives.

Response: The refund will not be placed in a credit account. See response to Item 1.2.10.1.

Item 2.1 – Term of MOU. The state has indicated that the effective dates of the MOU for RBS will coincide with the current effective dates for the Title IV-E Waiver Demonstration Project. The county has acknowledged that the initial 24-month RBS project period will fall within these dates, and the potential 12-month extension of RBS will cross-over the termination date of the IV-E waiver. In the event the county desires to continue RBS, the county has acknowledged that additional steps will be taken to either extend the federal waiver, or to seek a new state waiver, and that a new RBS MOU will be required to reflect the operational and financial circumstances at that time.

The county has added several statements regarding the fiscal operation of the RBS project:

- The county agrees with items a. and b., which cover submission of claims as if the county were a non-IV-E waiver county and requiring providers to time study to support Title IV-E activities.

Response: The Open Doors collaborative recognizes and agrees with this requirement.

- The county agrees with c., which will require submission of claims for RBS on a quarterly basis rather than monthly.
- The county has added items d., e. and f. relating to advances and advancing processes. *Upon review and consideration, CDSS has determined that normal advancing processes will apply to RBS and no specific language or dollar amounts will be required for the MOU.*

Response: LAC recognizes and concurs with the State's comment.

- The county has included a statement at g. regarding the right to continue the project based on the current analysis, claiming and reporting in the face of a conflict, until resolution is completed. *Clarification is requested regarding whether this statement is addressing the post-MOU approval period, or pre-MOU period. The post-MOU approval period will be governed by the terms of the MOU, including the voluntary agreement and funding model, and such a clarification should not be required.*

Response: The statement applies to the pre-MOU period, and LAC recognizes "*The post-MOU approval period will be governed by the terms of the MOU, including the voluntary agreement and funding model.*"

Item 2.2 – Use of Title IV-E in RBS. The state set forth nine points of compliance for the county to follow in order to use Title IV-E in RBS as any other non-Waiver county would be able to do. In the response to 2.1, a. and b., the county has agreed to perform the requirements at 2.2.1 and 2.2.2. The response to Item 2.2 refers to the response to Item 2.1, but this leaves it unclear as to whether the county has explicitly accepted all of the elements that relate to the Title IV-E claiming. *Further clarification is required that all elements will be completed.*

Response: LAC explicitly accepts "*all of the elements that relate to Title IV-E claiming.*"

Item 3.2.1 – Discussion on Cost Neutrality being calculated at the fund source level instead of at the total cost level. The county has provided a response that incorporates a statement to the effect that through the use of QA type audits and through program management to ensure safety and treatment standards are being met, that appropriate outcomes will be achieved. The attendant records associated with this will be accurate, and neutrality will be achieved. *However, the county did not specifically acknowledge the state's point about calculating Cost Neutrality at the state general fund source level as required by the implementing statute. The county has provided a new attachment that addresses state neutrality, and this will be examined for appropriate use in the Funding Model. See discussion below on attachments.*

Response: Noted and responded to below.

Item 3.3.1 – Reconciliation Example and costs for children partially enrolled in the project. The county has provided an additional attachment that addresses this issue on a pro forma basis. The "pro forma" method is designed to calculate an "approximate" cost for children not in the exit cohort but served in the 24-month period, using actual cost data from children in the exit cohort. As such, the pro forma approach is limited in its ability to give a full picture of the harder to serve children, because its ability to capture costs which run longer than the 22- month program design period is stopped at 24 months. This means the savings from children leaving before the planned program period, which are used to offset the high cost children in the cost neutrality calculation, may be overstated. *The county's proposed approach will be examined for appropriate use in the Funding Model. Also, see discussion below on attachments.*

Response: Noted and responded to below.

Item 3.3.3 – Performance of a project level reconciliation at the 24 month point. The state had questioned if the county intended to perform a project level reconciliation at 24 months, in addition to the individual provider reconciliations that will be used to measure whether an incentive payment is appropriate. The county response indicates additional work by the state is requested to develop appropriate forms and processes. *Additional discussion will be needed to assess what is required and what can be provided.*

Item – RBS Audit requirements - FCARB.

In the Funding Model, dated June 11, 2009, LA County Open Doors initially indicated on page 19 of 30 of the document that the County Auditor-Controller, who participated in the review of the County's Funding Model, will audit the Open Doors Demonstration Project as appropriate. *The CDSS would appreciate further explanation of the type of audit that the Auditor-Controller plans to perform and when it anticipates performing this audit. Specifically, what is the planned timeframe for issuing the report, who will receive it, what will be covered, and will the audit reach beyond a review and determination of actual cost to include the appropriate documentation and use of Title IV-E?*

Response: LAC will coordinate with the Los Angeles County Auditor Controller to arrange for a conference call to discuss the nature of the audit and the for State to provide comments as may seem desirable. It is proposed that an initial meet and greet call including a general discussion be scheduled before LAC returns its signed MOU to the State.

In the county response, dated August 24, 2009 on page 33 of 37, LA County Open Doors indicated that it understands that CDSS' Rates and Audits Department is developing guidelines for auditing RBS. Open Doors indicated that it looks forward to participating in the discussions and will support the effort however CDSS may

desire. The CDSS initial intent was to expand its audit operations to conduct a fiscal audit of the operation of RBS providers. However, due to budget constraints at the state level this may not be achievable as envisioned. Nevertheless, accountability must be maintained for the use of Title IV-E funds. *Please clarify if there are specific information or guideline statements that the county seeks in order to ensure this accountability is maintained.*

Response: As noted in the response to the immediately preceding item, LAC will coordinate their expected audit requirements with CDSS. If there are any specific requirements that LAC is not aware of, it is anticipated that they will surface in the proposed meetings noted above. At this time there are no are unknown requirements.

Item – Flex Funding. Although not discussed in the original submission, the county has provided additional details regarding the use of a "flex funding" approach to implementing the RBS program. Inherent in this approach is the ability to make instant decisions on appropriate interventions to address immediate needs of the child or family. The county has provided an overview of examples of support categorized as being for the support of the child, support of the family, or to support unexpected needs. We note in reviewing this summary that most of these would not likely be eligible for any Title IV-E funding due to the restrictions on using Title IV-E for services in a non-Waiver environment. *Accessing Title IV-E for these or other activities will fall under the broader umbrella of requirements the county must follow to document and assess appropriate use of Title IV-E, which CDSS outlined in the original Funding Model comments.*

Response: LAC concurs with this statement.

Attachments:

General Principles (new): A set of guiding principles to follow in the fiscal management of RBS.

1. The state concurs with all requirements listed in the county response.

2. The concept of flexibility within the RBS will not pose an operational issue. While a line-item project budget is proposed as a means to identify what is needed to run the project and how the project is proposed to be funded, this does not restrict the county or provider to the make-up of those specific activities. Flexibility must be managed by the providers within the overall construct of the revenue they receive from the county, and the revenue is based on the rates proposed. *At the end of the project the county will need to ensure, through audit by the Auditor Controller, that all RBS costs have been captured and documented for appropriate assignment to the applicable fund sources, especially Title IV-E. In addition, this audit will determine if the actual costs incurred by the provider are less than the rates received by the provider by more than 10%, which would trigger a refund to the county.*

   Response: The County agrees.

3. The county has stated that a feature currently used in the LAC Wraparound Project to fund unexpected project needs can be applied to RBS. As a cautionary note, the concept of flexibility under the Wraparound project is encouraged by the fact there are no federal funds involved in the claiming of those costs. *While Los Angeles is a Title IV-E Waiver county, care must be taken under RBS to ensure that any use of Title IV-E in RBS is appropriate under the Title IV-E requirements.*

   Response: The County agrees.

4. The county has referenced that audit guidelines will take into account that Los Angeles County is a Title IV-E Waiver county. This statement is not clear when the state believes the county is agreeing in the Funding Model to comply with all Title IV-E requirements as if the county is a non-Waiver RBS county. *Please clarify what this statement means.*

   Response: As noted in earlier, the County will comply with all Title IV-E requirements and will conduct their audit realizing that Los Angeles is a waiver county.

5. The county states, "Further, given that LAC operates under a capped allocation, the lack of cost neutrality in Attachment A has no impact on SGF." The state concurs with this statement procedurally, i.e., any determination of cost neutrality

that would otherwise result in repayment to the state is waived provided the amounts remain under the waiver capped-allocation for SGF. *However, a caution is given that cost neutrality levels that exceed normal foster care on Attachment A or at the end of the project will have an impact, probably adverse, on how the project is viewed for continuation in a non-Waiver fiscal environment.*

Response: The County agrees.

Table 1: Monthly Cost of Open Doors Care (revised):

The county has submitted revisions to this table to reflect discussions with the state. The following changes are noted: The residential care rate was changed to $9,565 per month, to reflect a 10% reduction in the RCL 13 component of the rate, plus the $3900 flexible service augmentation; Bridge Care now has a rate of $4476; Flexible services has no rate; The Mental Health rate for Residential Care is increased to $6,000; A column has been added for the Percent of Title IV-E Allowable, but no percentages are included; and a new footnote 11 is added to explain the use of Tier 2 Wraparound.

The state seeks confirmation of the following points:

1. The amount for Bridge Care is shown in this revised Table 1 as being $\leq$ $4476 per month. The accompanying side note explains that Bridge Care is funded through the appropriate Community Care Component, which implies that the funding could most likely come from the Tier 1 Wraparound rate. The Tier 1 rate, however, is limited to $4184 in the Table. Footnote 7 also states that Bridge Care is a service that is offered in any Community Care component, which means it could be funded in conjunction with another component.

   Please clarify if the following interpretation is correct: Bridge care is a means of providing a caretaker setting for a child who is ready to leave the residential component of Open Doors but the family is not ready to receive the child. In this event, the child is placed with a relative, NRFM, a foster home or an FFA and the appropriate rate is paid directly by the county and deducted from the Community Care Tier 1 Wrap rate, with the balance paid to the Open Doors provider for continued RBS services. Thus, the Bridge Care rate equals the rate paid for care in the foster care system. In the event the placement must be in an ITFC however, the Bridge Care rate equals the ITFC rate of $4476 but there is no offset against the Tier 1 Wrap rate. Instead, the Open Doors provider would be paid the Tier 2 Wrap Rate of $1250 for continued services in-lieu of the Tier 1 Wrap rate.

   If this interpretation is correct, footnote 7 should be revised to incorporate the above discussion, and the side note for Bridge Care should be revised by replacing the word "through" with "in conjunction with".

   Response: The State's interpretation of Bridge Care is correct. The footnote has been corrected per discussions with Rate and Audits as noted below:

"7. Bridge care is funded in conjunction with the appropriate community care component in use for the bridge care placement."

3. *Not withstanding the discussion under footnote 12 regarding the future efforts of the county and state to define Title IV-E activities, the column for Percent of Title IV-E Allowable should have percentages established for each rate, so that the Funding Model can be finalized and included with the MOU.* This will allow the program to start and the county to initiate claims at the appropriate points. Changes can be incorporated later as an addendum if required as a result of additional analysis on Title IV-E activities. See the following discussion regarding the Provider Cost spreadsheet and Attachment A for additional information.

Response: See Table 1 and Attachment A as amended.

Provider Cost Spreadsheet (revised):

The county has provided revisions to this spreadsheet, mostly by fine-tuning FTE's and costs in each category of the Open Doors program. The column totals for "Total Res Tx Care" and "Services in Wrap" appear to be adding correctly. The significant change is the addition of a column indicating the "Estimated % Title IV-E Eligible", which will be the focus of the state comments.

On Attachment A the county has continued to use the assumption of 93.5% Title IV-E allowability for RBS residential care. *However, the addition of the new Title IV-E allowability information on the Provider Cost spreadsheet allows for the estimation of the Title IV-E allowability as follows, using information directly from the provider budget:*

Title IV - E Allowability Estimate			
Decsription	Est. % IV-E	Estimated Cost	Estimate Part Allowable for IV-E
Residential Group Care	93.5%	$675,500	$631,592.50
Community Services Staff	51.3%	$220,163	$112,943.44
Mental Health Specialty Staff	0.0%	$13,500	$0.00
Shared Program Support	93.5%	$24,000	$22,440.00
Total Costs		$933,163	$766,975.94
Taxes and Benefits @ 22.5%		$209,962	$172,569.59
Total Personnel Costs		$1,143,124	$939,545.53
Direct Client Costs			
Residential Client Costs	100.0%	$52,608	$52,608
Food Services	100.0%	$96,000	$96,000

Flex Funds	0.0%	$-	$-
Crisis Stabilization	93.5%	$90,720	$84,823
Respite Care	38.0%	$-	$-
Foster Care	93.5%	$-	$-
			$-
Operating Expenses	93.5%	$286,922	$268,272
Total Direct Costs		$1,669,374	$1,441,249
Indirect Costs @ 10%		$166,937	$144,125
Total Program Costs		$1,836,312	$1,585,374
Estimated IV-E Allowability Total Res Tx Care			
		86%	

A similar process can be used for the Services in Wrap components with exceptions that no Title IV-E should be assumed for Respite Care, and that Operating Expenses may not be automatically assumed to be 93.5% allowable in the Wrap components. *Ultimately the analysis of Title IV-E allowability will be based on a detailed examination of duty statements and job classification levels to ensure.*

Response: Discussions between the State, the California Alliance Children and Families and the providers have not been completed and the data provided is an estimate only. Further, the LAC providers have provided job descriptions and this discussion continues. The County and the Collaborative seek definitive guidance on this matter and will meet whatever requirements that are ultimately required, provided the information is available and there is an understanding what the audit implications in consideration that these estimates have been made in a highly transformed system of care before RBS has started and time studies have been conducted.

For purpose of this response the following composite Title IV-E allowable rates have been used:

- Residential: 86%
- Tier 1 Wrap: 51%

Attachment A: RBS Funding Model Cost Neutrality (revised):

The county has submitted a revised spreadsheet, with the primary changes being the reduction of both the RBS rate and the base group home rate used for Cost Neutrality by the 10% required by the Budget Act. Footnotes have also been added for explanations regarding various components, including a description of calculating the composite rate for the Cost Neutrality base.

Please clarify the following:

1. *Title IV-E allowability should be assigned to each component using a process based on the analysis presented above under the section titled "Provider Cost Spreadsheet (revised)".* This will allow the county to present a rate with a Title IV-E factor for each component for approval by the state. These initial estimated IV-E factors can then be modified once the final Title IV-E analysis is completed. In lieu of the above process, the county could identify the RBS residential rate as having two components: The residential portion of $5665 based on the RCL 13 level adjusted for the 10% reduction, allowed at 93.5% IV-E, and the services component of $3900 allowed at 0% IV-E.

   Response: As noted in "Provider Cost Sheet above," the methodology suggested by the State has been used.

2. For the Residential component, the county has used an average of 9 months to represent the length of time a child will stay in this component, noting that the maximum is 10 months funded at this level. However, the county has now added a Crisis Stabilization component with an indicated length of stay of 1 month. The RBS program description has previously indicated that Crisis Stabilization will be funded within the RBS residential rate, if it remains within a 14-day period. This new component level is funded at $4184, which is the Community Care rate. *Is the county now indicating that Crisis Stabilization is now assumed to be 30 days beyond the assumed Crisis Stabilization used from the residential component? Or will this Crisis Stablization actually represent the 10th month of RBS residential stay for funding purposes, in which case it should be funded at $9565?*

   Response: As noted in the spreadsheet, Attachment A, the arc of care is defined as "Res Tx = 9 mos + 1 month Crisis Stabilization for a subtotal of 10 months, a subtotal for Community Care = 12 mos, for a total arc of care of 22 months." As noted in discussions with Rates and Audits, Crisis stabilization is not funded at $9,565 but is funded at the community Tier 1 rate $4,184.

3. In order to achieve the 22 months of stay in the RBS program that is the planned length of stay, 2 months are now assumed to be in the Tier 2 Wraparound Component. However no cost element has been assigned to this 2-month length of stay. *A dollar factor should be assigned to this if it is part of the planned program design, but the overall table will need to be modified to assign this dollar amount to 100% county funds as is indicated in the Funding Model narrative.*

   Response: Costs for Tier 2 Wrap have been identified in Attachment A and the revised table, "Table 1 Revised."

4. The county has fine-tuned the program design by indicating that once a child leaves the Residential component they will stay in foster care for 6 months, but receive Tier 1 Wraparound Services for 10 months. Presumably the difference in

number of months reflects the assumption that the family is not initially ready to receive the child. *If this is correct, this seems to fit the description of Bridge Care, and Component 2 should be renamed as Bridge Care to match Table 1 and the Funding Model descriptions. In addition, Component 2 should be modified into two parts to reflect the percentage of children that may be in "regular" Bridge Care, and the percentage that may require "specialized" Bridge Care via ITFC, since the dollar amounts associated with each are different. Modifications would also be required in Component 3 to reflect the cost of the appropriate Wraparound Tier that goes with each type of Bridge Care.*

Response: The arc of care has been adjusted to provide a total of 10 months in residential and 12 months in community care as previously noted.

The full details for the use of ITFC have not provided because the use and design of ITFC and its application in RBS remains a matter of design to be addressed after RBS begins (It's usage is anticipated to be low). The County recognizes that the use of ITFC will have to be given a full accounting and financial analysis. However, at this time the model is being submitted assuming Tier1 and Tier 2 wrap will be used, which is compatible with and fully supports the Open Doors design.

5. The county has used a Title IV-E penetration rate of 70% in each part of the Attachment A. CDSS has observed through data runs from the CWS Case Management System that the ratio of IV-E eligible children to the total children in Group Homes in Los Angeles is 49.3% for the period January to June 2009. *Please provide additional information supporting the use of 70% for the target population for RBS. The county should not use the penetration rate from the Adminstrative Expense Claim because that rate is for all children served by the county, and most likely includes the data for Probation Children, which are not included in the RBS proposal.*

Response: This information was provided for this response based upon actual data provided by LAC finance.

6. For the cost neutrality base, the description adequately describes the weighting process used to develop the composite base of $6138 ($5524 when reduced by 10%). *However the IV-E allowability components for the two RCL rates comprising the composite (RCL 12 and 14) are different (91.27% and 93.5%). They are more heavily weighted towards the RCL 12 level because of the 36 beds assumed in the calculation. The county should develop a new composite Title IV-E rate of approximately 91.96% to use in the Cost Neutrality base comparison.*

Response: The rate of 86% as suggested by the state has been used (see DCSS table "**Title IV - E Allowability Estimate**" above.

County-Provider Reconciliation (revised):

This revised spreadsheet contains modifications to indicate how the county will control payments to each provider based on the months that each child will spend in each type of care. The cost reconciliation is based on the exit cohort of those children entering and exiting within the 24-month period, and those children completing 24 months in RBS.

Please clarify the following:

1. *Should the "Total Served" for Bed 2 be 3 children? If yes, please revise the model accordingly.*

   Response: The correct number is "3" and has been revised.

2. The amount of $145,854 that is used as the maximum payment level for a child is based on 10 months @ $9565 plus 12 months @ $4184. *Footnote 1 under criteria for analysis should be modified to include this information.*

   Response: Footnote revised as requested.

3. Cell V41 ($171,560) represents the total fund savings associated with the 11 children in the exit cohort. The county proposes that this amount of savings be shared 50/50 between the provider and the county. In response to Item 1.2.10.1, the county indicates an intention to establish a credit account for each provider against which the provider could bill for "extra" services to be funded outside of the RBS rate structure. The county indicates state funds would be charged when this billing occurs, based on the nature of the cost.

   From the example in this spreadsheet, the amount of savings for each fund source (federal, state, and county) associated with the $171,560 could presumably be calculated from the information provided in this example. *Please expand this fiscal analysis to indicate the approximate level of savings for each fund source to determine if the state can approve the methods and procedures proposed for the incentive payment.* This amount would be compared to the state savings calculated in Comment #3 under State Neutrality. It is likely that a formal cost neutrality determination will be required to be performed based on the actual costs of all the children enrolled in the 24-month period, in order to determine if any SGF remains that could be available to fund the incentive. In lieu of trying to determine the availability of any federal or state funds for the incentive, the county could consider calculating only the county funds portion of the costs, and sharing that 50-50 with the provider.

   Response: As noted earlier in this document, all funding for savings shared between the County and the provider will paid from non-claimed sources of funds. The analysis requested, while possible, has not been provided since there is no impact on State funding and/or AFDC-FC allowability.

4. *For the added information for Monthly Rates, Federal Allowability, Federal Penetration, and Shares, please see discussion below under State Neutrality.*

State Neutrality (new spreadsheet):

This is a new spreadsheet intended to address CDSS concerns about determining cost neutrality for all children served by a provider at the 24-month point in the project. For children not in the exit cohort, as defined above under County-Provider Reconciliation, the county proposes a pro forma approach that approximates the overall RBS cost for a child that is still in the program, using the assumption that the cost will be equal to the average cost for those which are in the exit cohort. The county has displayed this analysis in both Total Funds, and in State/County combined funds.

A short coming of this method is that the exit cohort will not be fully reflective of the costs for harder to serve children, since costs are cut off at the 24-month mark, as was discussed above at Item 3.3.1. As time progresses, and more and more children are served, the average will change to be more reflective of the total costs of serving the children. The viability of using this method is dependent on the number and mix of children that are served in the project, and this would be susceptible to bias if used in RBS projects with low volumes of children to be served.

The state would like to have further discussions to walk through the process that is presented. The following are specific questions to address:

1. *The federal allowability rates and federal penetration rates should be those used on Attachment A, as revised pursuant to state direction as noted above under Attachment A. The assumption of federal funds in the Cost Neutrality base should reflect the discussion above regarding the development of the composite* base.

   Response: The rates as requested have been used.

2. *The State/County share will need to be displayed separately as State and County. The federal funds assumption will be affected by any impact on the FMAP rate due to the provisions of the federal ARRA.*

   Response: The State and County shares have been noted.

3. *The average savings shown on line 40 will need to be expanded to a total, based on the number of children served in the Cost Neutrality period. If there were an SGF savings in this period, it would represent the pool of SGF dollars potentially available for payment of the incentive funds noted in Item 1.2.10.1 and in the County-Provider Reconciliation discussions above.*

   Response: The savings have been expanded as requested.

MOU #10-6020
Attachment I, Exhibit 5 -
Los Angeles RBS Addenda Received
November 12, 2009

Table 1 Monthly Cost of Open Doors Care[1, 10] (revised 10.15.09)

Component of Care	Planned LOS In Months	Cost of Care per Month	Source of Funds	Percent Title IV-E Allowable[12]	Notes
1.Residential Care[2, 3, 4]				86%	
a. Residential Care and Treatment	≤ 10 mos	$9,565 (10% reduction applied to RCL 13 component)	Title IV-E Maint & Admin and State AFDC-FC & Admin		• Provider cost details are found in the "Provider Cost" tab of the workbook
b. Child and Family Team					
c. Family Finding, Engagement, Placement and Support (FFEPS)					
d. Flexible Services					
2. Community Care	≤ 12 mos		Title IV-E Maint & Admin and State AFDC-FC & Admin	51%	• See note above
a. Tier 1 Wraparound[5, 9]	--	$4,184			• Tier 1 costs used for funding purposes throughout, except for Attachment A
b. Tier 2 Wraparound[5, 9, 11]	--	$1,250			• Tier 2 Wrap is funded through county funds, not Title IV-E or State funds
c. ITFC	--	$4,476			• Maximum ITFC rate used for planning purposes
d. Respite[6]	≤ 14 days/espisode	See note 6			• Respite included in the appropriate rate for community care
e. Bridge Care[7]	--	≤ $4,476			• Bridge care is funded through the appropriate community care component in use for the bridge care placement
f. Flexible Services					• Flexible Services are provided as part of the appropriate Community Care and associated rate
g. Crisis Stabilization[2, 3, 4]	≤ 14 days/espisode				• Crisis Stabilization is included in the Open Doors residential rate
3. Mental Health Services[8]:					Provider EPSDT costs are detail in the "Provider Costs" tab of this workbook
a. Residential Care	≤ 10 mos	$6,000	EPSDT		
b. Community Care	≤ 12 mos	$2,246	EPSDT		

Notes:

1 Both the initial reconciliation and the State cost neutrality period for the Demonstration are 24 months.

2 Residential treatment paid at $9,565 is limited to a total 10 months with an expected average of 9 months as needed over the arc of care and includes up to 14 days of Crisis Stabilization. During this time, parallel Wraparound services will be integrated into the residential treatment milieu and augmented with FFEPS where needed to support the child's permanency goals.

3 In cases where a child returns to Residential Treatment for Crisis Stabilization and the stay exceeds 14 days, the episode will become a Residential Treatment placement and the rate will be $9,565/mo. beginning at day 15. (See item #4 below.)

4 If the total time for all stays in residential treatment exceeds 10 months, then the provider will be paid the Tier 1 Wrap rate of $4,184 minus foster care placement costs for the remainder of the arc of care whenever the child is in residential treatment. The exception is for Crisis Stabilization, which is provided for in the Open Doors residential rate of $9,565/mo.

5 Tier 1 or 2 Wraparound will be offered throughout the Open Doors episode following Residential Care. It is noted that the Tier 1 cost of $4,184/mo has been used throughout the funding model, except for Attachment A.

6 Respite will be offered via some form of community-based care as determined by the CFT and will be covered at the appropriate Community Care rate minus foster care placement costs for the 'then in use' child's placement. If the respite LOS exceeds 14 days, then a suitable alternative placement will be determined by the CFT.

7 Bridge Care will be offered to children who are ready to live in a family setting but whose family is not ready for the child to join them in the home. This service may occur in any of the Community Care settings.

8 Mental health services funded through EPSDT are based upon estimates develop by the Wraparound Administration organization and includes TBS, psychiatry and medication support. EPSDT utilization will be monitored the provider's MCA may be adjusted.

9 The LAC Open Doors Demonstration will serve a total of approximately 160 children, and it is projected that 104 Wraparound slots will be used to support Open Doors at any one time. Other analysis has been performed; for example, if the residential LOS average is reduced to six months, a total of 156 slots will be used and has been planned for as a contingency but not included in the funding model analysis.

10 A possible extension of 12 months may be authorized for Open Doors based on County and the State decisions to be made by the 24th month. It is anticipated that the Director of DCFS will have delegated authority to extend the Demonstration contracts should this be desired.

11 Tier 2 Wrap can be used for but is not limited to the following:

a) Ensure that there is typically a 60-day transition period at the end of Open Doors for the child and family with the CFT still intact while appropriate community linkages and natural supports fully embrace the child and family.

b) It may also be used for an extended period if the CFT determines this is the best means of treating and caring for the child and family.

c) It may be used to provide for Open Doors provider costs to sustain the CFT when the child is in an IFTC setting and the Open Doors provider is not an ITFC provider.

(Note that there are no placement costs associated with Tier 2 Wraparound.)

12 Title IV-E allowability is being discussed jointly by the demonstration sites, the Alliance and the State. As soon as these conversations are complete this column will be populated.

ATTACHMENT A: RBS Funding Model Cost Neutrality for Los Angeles County County[1]

SECTION 1: ESTIMATING COSTS OF RESIDENTIALLY-BASED SERVICES PROGRAMS

Los Angeles is requesting approval from CDSS for the use of an RBS alternative funding model. The RBS providers use an RBS case rate of $9,565 for residential care (RCL-13 x 90%) and the County approved Wraparound rates for Tier 1 and 2 of $4,184 and $1,250 respectively while in Community Care. (Note: No Wrap cut and Tier 2 Wrap is funded with County funds.)

The figures in RED are assumptions, which can be changed, about estimated RBS costs, current estimated average length of stay in group homes for the target population, and percentage of the target population which is Federal Title IV-E eligible.

The figures in BLUE are computed using these assumptions and will be recomputed automatically if the assumptions are changed.

15 | 10% Cut Analysis from Composite RCL Rate (no Wrap cut)

9 Months of RBS Group Care, | 6 Tier 1 Wraparound (which includes 30 crisis stabilization paid during Res Tx) | 2 Tier 2 Wraparound

	RBS Program Components	A. Average Unit Costs (per month)	B. Percentage of Costs which are Eligible as Federal IV-E Maintenance Payments	C. Federal Share @ 50% (A x 50%)	D. Average Duration of Service (in months)	E. Average Utilization (percentage of children/ families receiving the service)	F. TOTAL STATE AFDC-FC COSTS (per child) (A x D x E)	G. Costs which are Eligible as Federal IV-E Maintenance Payments (per child) (B x C x D x E)
	Residential (Res Tx) Foster Care and Parallel Family Services							
1	a. TOTAL costs	$ 9,565			See Note 6			
	b. Minus unallowable costs (zero)[3]	$ 9,565	86.0%	$ 4,782	9.0	100.0%	$86,081	$ 37,015
2a	Family Foster Care Tier 1 Placement Payments	$ 2,000	50.0%	$ 1,000	6.0	33.3%	$4,000	$ 1,000
2b	Family Foster Care Services @ Tier 1 Wraparound	$ 2,184	0.0%	$ -	6.0	33.3%	$4,364	$ -
2c	Services rate out of foster care	$ 4,184	0.0%	$ -	4.0	33.3%	$5,573	$ -
3	Communiuty service Tier 1 Wraparound (No foster care)	$ 4,184	0.0%	$ -	10.0	66.7%	$27,907	$ -
4	Community Slot during Crisis Stabization (30 days)	$ 4,184	86.0%	$ 2,092	1.0	100.0%	$4,184	$ 1,799
5	Family Foster care @ Tier 2 Wraparound[4] ($1,250/mo)	$ 1,250	0.0%	$ -	2.0	100.0%	$0	$ -
	Average Total Costs of an RBS Placement for	$134,609	Total RBS Cost w/Tier2 Wrap		22	Months	$132,109	$39,814
	Total Costs NOT Eligible as Federal Title IV-E foster care maintenance payments							$92,295
70.0%				Total Federal IV-E foster care maintenance payment funding available:			27,870	21.1% of total RBS costs
	Net State/County Costs after Title IV-E Reimbursement						$104,240	78.9% of total RBS costs

SECTION 2: ESTIMATING CURRENT COSTS OF TRADITIONAL GROUP HOME PLACEMENTS

Current 2008-09 AFDC-FC Group Home Rates [per month]		Federally-Allowable Portion of AFDC-FC	Costs: Per Child Per Month for a federal Title IV-E Eligible Child: Federal Share @ 50%	State Share @ 45% of Nonfederal Share	County Share @ 55% of Nonfederal Share	Combined State and County Share	
RCL-10	$ 5,092	91.27%	$ 2,324	$ 1,107	$ 1,081	$ 2,788	54.4% of total costs
RCL 11	$ 5,490	91.27%	$ 2,505	$ 1,194	$ 1,791	$ 2,985	54.4% of total costs
ROL 12	$ 5,891	91.27%	$ 2,688	$ 1,281	$ 1,922	$ 3,203	54.4% of total costs
Composite rate[2]	$ 6,204	93.50%	$ 2,942	$ 1,341	$ 2,011	$ 3,352	53.3% of total costs
	$ 5,524	91.60%	$ 2,530	$ 1,198	$ 1,796	$ 2,994	54.2% of total costs

Period (In Months) over which Cost-Neutrality will be Evaluated	24	Percentage of Children Eligible for Federal Title IV-E Payments	70.0%	New Costs/ (Savings) with RBS Program [per child]	Current Distribution of the RBS Target Population among the RCLs

Current Total Costs for an Average Group Home Placement		Federally-Allowable Portion of AFDC-FC	Current Costs for an Average Group Home Placement: Federal Share @ 50%	State Share @ 45% of Nonfederal Share	County Share @ 55% of Nonfederal Share	Combined State and County Share		
RCL-10	$ 122,208	91.27%	$ 30,039	$ 33,268	$ 49,902	$ 83,169	$ 21,070	0%
RCL 11	$ 131,760	91.27%	$ 42,090	$ 35,866	$ 53,802	$ 89,670	$ 14,570	0%
ROL 12	$ 141,384	91.27%	$ 45,164	$ 38,488	$ 57,732	$ 96,220	$ 6,020	0%
Composite rate[2]	$ 151,050	93.50%	$ 49,433	$ 40,649	$ 60,974	$ 101,623	$ 2,617	0%
	$ 132,582	91.60%	$ 42,506	$ 36,031	$ 54,046	$ 90,077	$ 14,163	100%
			RCL-Weighted Average Costs/(Savings) per child:				$ 14,163	

Notes:

1) The impact of the Federal Stimulus package is not included in this analysis.

2) The composite rate[5] is a weighted average rate based upon 30 RCL-12 and 16 RCL-14 beds. A 10% AFDC reduction has been applied.

3) The composite rate is used for analyzing the RCL based arc of care prior to Open Doors to reflect RCL when the RCL-12 and -14 levels of children were combined for Open Doors. The 91.6% rate proposed by the State has been used.

4) The Demonstration considers the Community Care payments (which uses wraparound services in the Demonstration) as an integral part of its total RBS arc of care. For comparative purposes the Community Care wraparound services are considered as federally eligible costs that would be paid from Title IV-E AFDC-FC monies, and these costs are considered as part of the cost neutrality calculation. (These costs are part of the County's Title IV-E capped

5) Permission was sought from CDSS and given to Los Angeles County to use a composite rate for cost neutrality analysis with 10% cut applied:

	Rate	Weighted Total
RCL-12 - 30 beds	5,891	232,975
RCL-14 - 16 Beds	6,864	197,094
Sum:		315,580
Weighted Avg Rate/No	6,138	

This approach was used, as it represents the worst case scenario

6) Arc of care:

a. Res Tx = 9 mos. Total Community Care = 12 mos. and 1 month Crisis Stabilization is planned for a total of 22 months.

b. Due to $9,565 financial limit on residential care of 10 months, this will statistically have the effect of paying the full residential rate less than 10 and various scenarios indicate that a LOS of less than 9 mos is likely. As noted elsewhere, in the event the LOS averages 10 months (i.e. every child experienced 10 or more months of residential care and their Wrap LOS exceeded an average of 12 months), then reconciliation would require the

7) Applies to lines 2-4 above: Bridge care is funded in conjunction with the appropriate community care component in use for the bridge care placement.

8) It is noted that the baseline arc of care is 32 months of Res Tx (typically in one setting) with a total cost of $176,877 with an average AFDC-FC savings cost per child of $42,167 over the baseline period. In the open doors program the child goes to their permanent planned family in 22 months versus 32 months or longer in the baseline case, where permency is estimated to be achieved approximately 40 to 50 % of the time. When EPSDT costs are factored in over the 24 month period there is an additional cost savings $57,648 are realized. When comparing to the baseline the EPSDT cost savings are $105,046. Overall, based upon the planning information available at this time Open Doors will save the tax payers $42,89Rchild in 24 months and $90,899/child when compared to the baseline LOS of 32 months. These estimates suggest that the Open Doors demonstrastion will be highly cost effective for both State and the county, even in the face of AFDC-FC State costs increasing in the 24 month period. The calculations are noted below:

EPSDT Savings	24 Months	57,648	42,881
	32 Months	105,046	90,899
AFDC-FC Savings		42,167	Baseline AFDC-FC compared to Open Doors

From: Stout, Megan@DSS
To: "Rauso, Michael J"; "Khush Cooper"; "Garcia, Martha"; "rwhite@holarchyconsulting.com"; "Leslie A Hay"; djohnson@cacfs.org;
cc: Gunderson, Karen@DSS; Sanson, Will@DSS; Fife, Beth@DSS; "bhfife1@gmail.com";
Subject: Cancelling the LAC RBS Feedback Session on December 15th
Date: Thursday, December 10, 2009 4:00:18 PM

Hello All:

Due to unexpected scheduling conflicts, some key CDSS staff are no longer available on the 15th. Instead of moving the conference call, scheduled for December 15th from 10:00am-11:30am, we think we can cancel this conference call and handle communication through e-mail.

Aside from the documentation that is needed for the rate methodology, duty statements and discussion on audit specifics, which is currently be handled through a separate process with the CDSS Audits and Rates folks, the following are the provisions of the LA RBS Funding Model about which CDSS would like to comment:

1. Title IV-E Allowability Percentage - In the LAC Response on Page 11, the county indicates that they intend to use 51% as the Title IV-E Allowability percentage for Community Care/Tier 1 Wrap Placement. *Please forward to CDSS the method and calculation used to derive this percentage. Also, please forward any similar documentation you developed to calculate the 86% IV-E Allowability for the Residential Component.* CDSS did note that this 86% was the same as suggested by us in our feedback to LAC, but we were under the understanding that LAC would be doing their own separate determinations for these rates.

Note: In the LAC Response on Page 11, the county indicated the IV-E Allowability for the Tier 1 Wrap Placement as 51%, however, in the Attachment A submitted with the LAC Response document, the IV-E Allowability percentage for the Tier 1 Wrap Placement is shown as 50%.

2. RBS Provider Incentive Payment Process – With regard to the incentive payment process proposed to be used by the county to provide a performance incentive to the Open Door providers, CDSS notes the county has indicated on page 14, Item #3 of the LAC Response, "...all funding for savings shared between the County and the provider will be paid from non-claimed sources of funds." CDSS is confirming that since no incentive funds will be claimed no

further approval by the state of the incentive payment process is apparently required. This further negates the need to make any modifications to the RBS claiming processes to address the claiming of the incentive. If at some point in the future the county desires state and/or federal participation in an RBS incentive process a revised Funding Model and MOU will be required at that point.

The state does note that while an incentive process may be a desirable feature to add to the RBS Funding Model, any incentive paid should be based on a like comparison of all costs incurred vs. all monies that would have been paid for the same children in foster care, for all children served in a given period. This would lessen the potential for calculating an incentive at a given point in time when additional costs may still be incurred for high cost children still in the program.

If there are any questions or concerns, please feel free to contact me. Thanks!

Megan K. Stout
Consultant - RBS Reform Project
California Department of Social Services
916-654-1883
www.rbsreform.org

Guiding Principles

These spreadsheets and the accompanying financial response to Los Angeles County's (LAC) Open Doors Feedback Session are based upon the assumptions in the feedback document and guiding principles provided herein.

In general, the financial model was designed to provide maximum flexibility in support of LAC's treatment model while maintaining good cost controls and payment practices. They were developed jointly by providers, the County and RBS consultants and were discussed piecemeal with the State in various meetings and communications throughout the Funding Model's and Feedback Response development. With this in mind, the following guiding principles were used:

1. Payments and costs have to a) be accurately recorded/tracked, b) represent the costs and payments incurred, c) be properly allocated and aggregated, and d) be reported in a timely manner so as maintain the fiduciary responsibilities of the providers, County, and State.

2. Flexibility is essential in being able to move financial resources from one category of the provider budget to another to accommodate the 'learning nature' of the Demonstration. The intent is to provide a payment mechanism that funds the Open Doors provider budget and gives the provider the ability to reallocate resources as best suits the overall needs of the children and families being served as determined by the providers who must deliver the goods and services necessary to support the Demonstration.

For example, three staff members were planned on to provide remote Youth Specialist support in the southern part of the County at an annual cost of $120,000 per year. Upon beginning the service, it is found that opening a small office in the LA Harbor area would cut down travel time and result in only two staff members being required. Moreover, the two Youth Specialists can now spend more time with children and families in total than three staff would have, due to the reduction in travel. The provider may want to move some portion of the third staff member's salary budget to office lease expense in the budget. (This assumes that a small office could be short-term leased for less than staff member's annual salary.)

In this case, the Open Doors provider would reallocate the budget while maintaining good internal budgeting practices and external reporting/tracking as may be needed for the County and/or CDSS. The expectation is that this would not result in disallowed costs and/or an audit exception, and the provider could make the budget reallocation quickly without burdensome administration.

3. Flexible funding (Flex Funds) has been provided as a means to rapidly support the CFT and treatment teams' efforts to be responsive to traditionally unfunded and often unmet needs of the child and family. This feature is currently available in the LAC Wraparound program and has been expanded in the Open Doors Demonstration to support, as noted earlier, the learning nature of the demonstration and provide flexibility to be responsive and flexible in handling child and family needs.

4. A rational and sound audit process will be developed that jointly meets the financial and quality needs of the demonstration sites, as well as the State and Federal government. This audit process recognizes that the purpose of the Demonstration is to develop and measure the impact of transformed residential care and an alternative funding model. In the case of LAC, the audit process will take into account that it is a Title IV-E Waiver county. This guideline applies to both State and County audits of Open Doors.

5. Since LAC is Title IV-E Waiver County, the intent and impact of the Demonstration is, in part, to provide the County and State with a means to evaluate the effectiveness of the Waiver and how it might be improved to better support the needs of children and families impacted by residential and community care. In the case of LAC, the Waiver has already demonstrated its long-term effectiveness, and when the Open Doors outcomes are achieved, this overall effectiveness will be further leveraged by providing more effective treatment and care while reducing length of stays, costs and improving permanency.

The Title IV-E Waiver and Open Doors recognize that LAC has the advantage of exercising broad authority to create many unique opportunities to transform care and treatment for children and families. In so doing, the traditional way of looking at costs and neutrality from the typical RCL-based perspective may not create cost neutrality as noted in the spreadsheet named "Attachment A." However, as just noted, the Waiver is achieving its long-term goals and Open Doors is expected to improve upon this performance. Further, given that LAC operates under a capped allocation, the lack of cost neutrality in Attachment A has no impact on SGF.

The ability to use the Title IV-E Waiver as noted has been central to transforming group home and community care as described in the Voluntary Agreement, Funding Model and the Feedback Response.

ATTACHMENT A: RBS Funding Model Cost Neutrality for Los Angeles County County[1]

SECTION 1: ESTIMATING COSTS OF RESIDENTIALLY-BASED SERVICES PROGRAMS

"Los Angeles is requesting approval from CDSS for the use of an RBS alternative funding model. The RBS uses an RBS A case rate of $10,194 for Residential Treatment and the County approved Wraparound rates for Tier 1 and 2 of $4,184 and $1,250 respectively while in Community Care. Tier 2 Wrap is funded with County only funds. A portion of the $10,194 residential rate may be paid from the MultiAgency Cost Pool (MCP), which will be used as 100% County only funds. To the extent that MCP funds are used, the RBS claim will reflect an abatement from total cost to remove the MCP funds from the RBS claim."

The figures in RED are assumptions, which can be changed, about estimated RBS costs, current estimated average length of stay in group homes for the target population, and percentage of the target population which is Federal Title IV-E eligible.

The figures in BLUE are computed using these assumptions and will be recomputed automatically if the assumptions are changed.

22 Months - Total Arc of Care

10 Months of RBS Group Care (includes 30 crisis stabilization days paid during Res) | 10 Months Tier 1 Wraparound | 2 Months Tier 2 Wraparound

	RBS Program Components		A. Average Unit Costs (per month)	B. Percentage of Costs which are Eligible as Federal IV-E Maintenance Payments See Note 2	C. Federal Share @ 50% A x B x 50%	D. Average Duration of Service (in months)	E. Average Utilization (percentage of children/ families receiving the service)	F. TOTAL STATE AFDC-FC COSTS (per child) A x D x E	G. Costs which are Eligible as Federal IV-E Maintenance Payments (per child) B x C x D x E
1	Residential (Res Tx) Foster Care and Parallel Family Services	a. TOTAL costs	$ 10,194			See Note 5			
		b. Minus unallowable costs (zero)[3]	$ 10,194	88.7%	$ 5,097	9.00	100.0%	$91,746	$ 40,719
2a	Family Foster Care Tier 1 Placement Payments		$ 2,000	36.5%	$ 1,000	6.00	33.3%	$3,996	$ 730
2b	Family Foster Care Services @ Tier 1 Wraparound		$ 2,184	0.0%	$ -	6.00	33.3%	$4,364	$ -
2c	Services rate out of foster care		$ 4,184	0.0%	$ -	4.00	33.3%	$5,573	$ -
3	Community service Tier 1 Wraparound (No foster care)		$ 4,184	0.0%	$ -	10.00	66.7%	$27,907	$ -
4	Community Slot during Crisis Stabilization (30 days)		$ 4,184	88.7%	$ 2,092	1.00	100.0%	$4,184	$ 1,857
5	Family Foster care @ Tier 2 Wraparound[4] ($1,250/mo)		$ 1,250	0.0%	$ -	2.00	100.0%	$0	$ -
Average Total Costs of an RBS Placement			$140,270	Total RBS Cost w/Tier2 Wrap		22	Months	$137,770	$43,296
Total Costs NOT Eligible as Federal Title IV-E foster care maintenance payments									$94,474
60.7%					Total Federal IV-E foster care maintenance payment funding available			26,259	19.1% of total RBS costs
Net State/County Costs after Title IV-E Reimbursement								$111,511	80.9% of total RBS costs

$ 5,117

SECTION 2: ESTIMATING CURRENT COSTS OF TRADITIONAL GROUP HOME PLACEMENTS

Current 2008-09 AFDC-FC Group Home Rates [per month]		Federally-Allowable Portion of AFDC-FC	Costs: Per Child Per Month for a federal Title IV-E Eligible Child: Federal Share @ 50%	State Share @ 40% of Non-Federal Share	County Share @ 60% of Non-Federal Share	Combined State and County Share	
RCL 10	$ 5,092	91.27%	$ 2,324	$ 1,107	$ 1,661	$ 2,768	54.4% of total costs
RCL 11	$ 5,490	91.27%	$ 2,505	$ 1,194	$ 1,791	$ 2,985	54.4% of total costs
RCL 12	$ 5,893	91.27%	$ 2,688	$ 1,281	$ 1,922	$ 3,203	54.4% of total costs
Composite rate[2] (see below)	$ 6,294	93.50%	$ 2,942	$ 1,341	$ 2,011	$ 3,352	53.3% of total costs
	$ 6,138	91.80%	$ 2,811	$ 1,331	$ 1,996	$ 3,327	54.2% of total costs

Period (in Months) over which Cost-Neutrality will be Evaluated	24	Percentage of Children Eligible for Federal Title IV-E Payments	60.7%

Current Total Costs for an Average Group Home Placement		Federally-Allowable Portion of AFDC-FC	Current Costs for an Average Group Home Placement: Federal Share @ 50%	State Share @ 40% of Non-Federal Share	County Share @ 60% of Non-Federal Share	Combined State and County Share	New Costs/ (Savings) with RBS Program (per child)	Current Distribution of the RBS Target Population among the RCLs
RCL 10	$ 122,208	91.27%	$ 33,824	$ 35,353	$ 53,036	$ 88,384	$ 23,127	0%
RCL 11	$ 131,760	91.27%	$ 36,468	$ 38,117	$ 57,175	$ 95,292	$ 18,219	0%
RCL 12	$ 141,384	91.27%	$ 39,132	$ 40,901	$ 61,351	$ 102,252	$ 9,259	0%
Composite rate[2,3]	$ 151,056	93.50%	$ 42,630	$ 43,290	$ 64,935	$ 108,226	$ 3,285	6%
	$ 147,314	91.80%	$ 40,920	$ 42,567	$ 63,838	$ 106,393	$ 5,117	100%
RCL-Weighted Average Costs/(Savings) per child:							$ 5,117	

6,138
147,314

Notes:

1) The impact of the Federal Stimulus package is not included in this analysis.

2) The composite rate[2] is a weighted average rate based upon 36 RCL-12 and 16 RCL-14 beds.

Permission was sought from CDSS and given to Los Angeles County to use this composite rate for cost neutrality analysis and for incentive/reinvestment calculation purposes:

	Rate	Weighted Total
RCL-12 - 36 beds	5,891	212,076
RCL-14 - 16 Beds	6,494	107,136
Sum:		219,180
Weighted Avg Rate/Bed		6,138

* It is noted that $6,138 composite is used for estimating additional group home placements only. The RCL-13 rate of $6,294 was used to develop the new Open Doors rate.

3) The 88.7% and 36.5% come from the Excel workbook tab titled "CDSS Allow Det"

4) This Demonstration considers Community Care to be an integral part of its total RBS arc of care. For comparative purposes, Community Care (i.e. wraparound services) are considered to contain federally eligible costs that would be paid from Title IV-E AFDC-FC monies, and these costs are considered as part of the cost neutrality calculation. These costs are also part of the County's Title IV-E capped allocation.

5) Arc of care:

a. Res Tx = 9 mos, Total Community Care = 12 mos, and 1 month Crisis Stabilization is planned for a total of 22 months.

b. Due to the financial limit on residential care of 10 months or less, there will be a statistical effect of paying the full residential rate for less than 10 months. Therefore, a LOS of 9 mos or less is possible. As noted elsewhere, in the event the LOS averages 10 months or more (i.e. every child experienced 10 or more months of residential care and their Wrap LOS exceeded an average of 12 months), then reconciliation would require the provider to refund any over-payment that might have resulted.

6) Applies to lines 2-4 above: Any Bridge Care placement is funded with the appropriate community care component in use for that bridge care placement, and the placement cost is deducted from the rate (TFC excepted).

7) It is noted that the baseline arc of care is actually 32 months (versus the forced 24 months dictated by the length of Demonstration) of Res Tx (typically in one setting) with a total cost of $176,677. This generates an Open Doors average AFDC-FC savings cost per child of $42,167 over the baseline period. In the Open Doors program the child resettles in 22 months, versus 32 months or longer in the baseline case, where permanency is estimated to be achieved approximately 40 to 50 % of the time. When EPADT costs are factored in over the 24 month period additional cost savings $57,048 are realized. When comparing to the baseline, EPADT cost savings are $105,048. Overall, based upon the planning information available at this time Open Doors will save the tax payers $42,896/child in 24 months and $90,896/child when compared to the baseline LOS of 32 months. These estimates suggest that the Open Doors demonstration will be highly cost effective for both State and the County, even in the face of AFDC-FC State costs increasing in the 24 month period. The calculations are noted below:

Arc of Care	EPADT Savings	EPADT (-) AFDC Net/Benefit
24 Months	$7,848	$4,952
32 Months	$63,248	$59,352
Arc of Care	**AFDC Savings**	**AFDC (-) EPADT Savings**
24 Months	$51,048	$47,096
32 Months	$63,248	$59,352

MOU # 10-6020
Attachment I, Exhibit 7
Los Angeles RBS Addenda Received February 3, 2010

Estimated Annual Costs for RBS

6/16/2010 10:13 Ck $4,184
Ck $10,194

Description	Annual Salary	Estimated Residential % Title XIX E Eligible*	Total AFDC 64 Kids FTE	Total AFDC Total $$	Dedicated Res Tx Care 16 FTE	Dedicated Res Tx Care Group Care $$	Services in Residential Augmentation Funding For Res Tx Care 16 FTE	CFT $$	CFS	FFEPE/Flex Funds $$	Flex Funds $$	Total Augmentation FTE	Total Augmentation $$	Total Res Tx Care FTE	Total Res Tx Care $$
Residential Group Care															
Residential Director	$85,000	96.0%	0.4	$34,000	0.4	$34,000						0.0		0.4	**$34,000**
Milieu Supervisor	$50,000	96.0%	1.0	$50,000	1.0	$50,000						0.0		1.0	**$50,000**
Youth Specialists	$40,000	80.0%	13.0	$520,000	13.0	$520,000						0.0		13.0	**$520,000**
On-Call Youth Specialists	$38,000	80.0%	3.5	$133,000	3.5	$133,000						0.0		3.5	**$133,000**
			17.9	$737,000	17.9	$737,000	-		-	-	-	0.00	$0	17.9	**$737,000**
Community Services Staff															
Program Director	$85,000	96.0%	0.7	$59,500			0.1	$8,500	0.1	$8,500	0.1	$8,500		0.3	25,500	0.3	**$25,500**
Clinical Supervisor	$70,000	0.0%	0.0	$0										0.0	-	0.0	**$0**
Clinician	$50,000	0.0%	0.0	$0										0.0	-	0.0	**$0**
Lead Facilitator	$50,000	80.0%	1.4	$70,000			0.2	$10,000	0.2	$10,000				0.4	$20,000	0.4	**$20,000**
Family Facilitator	$44,000	80.0%	6.0	$264,000			1.0	$44,000						1.0	$44,000	1.0	**$44,000**
Youth Specialist	$40,000	80.0%	6.2	$249,120					1.0	$40,000				1.0	$40,000	1.0	**$40,000**
Family Finding & Engagement Specialis	$38,000	96.0%	2.3	$88,920							1.3	$49,400		1.3	$49,400	1.3	**$49,400**
Lead Parent Partner	$40,000	80.0%	1.1	$44,800			0.1	$4,000						0.1	$4,000	0.1	**$4,000**
Parent Partner	$38,000	80.0%	7.2	$273,600			1.2	$45,600						1.2	$45,600	1.2	**$45,600**
Family Crisis Response Specialist	$45,000	0.0%	6.0	$270,000										0.0	-	0.0	**$0**
Administrative Support	$36,000	96.0%	1.6	$55,944		-	0.3	$10,800						0.3	$10,800	0.3	**$10,800**
			32.5	$1,375,884	0.00	-	2.9	$122,900	1.3	$58,500	1.4	$57,900	-	5.6	$239,300	5.6	**$239,300**
Mental Health Specialty Staff															
Psychiatrist	$150,000	0.0%		$0										0.0	-	0.0	**$0**
Nurse (LVN)	$45,000	0.0%	0.5	$13,500	0.3	$13,500								0.0	$0	0.3	**$13,500**
TBS Worker	$32,000	0.0%		$0										0.0	-	0.0	**$0**
QA/QI Clinician	$70,000	0.0%	0.0	$0											-	0.0	**$0**
DMH Billing & Chart Staff	$33,280	0.0%	0.0	$0											-	0.0	**$0**
MHRS Staff/Youth Specialists	$40,000	0.0%		$0										0.0	-	0.0	**$0**
			0.5	$13,500	0.3	$13,500	0.0	$0		$0		$0	-	0.0	-	0.3	**$13,500**
Shared Program Support															
Program Oversight & Supervision		96.0%	0.0	$34,186		$12,000		$12,000							$12,000	0.0	**$24,000**
			0.0	$34,186		$12,000		$12,000		$0		$0	-		12,000	0.0	**$24,000**
Total Salaries & Wages			50.9	$2,160,570	18.2	762,500		$134,900		$58,500		$57,900	-		$251,300		**$1,013,800**
Taxes & Benefits	22.5%			$486,128		171,563		$30,353		$13,163		$13,028			$56,543	0.0	**$228,105**
Total Personnel Cost				**$2,646,698**		**$934,063**		**$165,253**		**$71,663**		**$70,928**	-		**$307,843**		**$1,241,905**
Direct Client Costs																	
Residential Client Costs		96.0%		$52,608		$52,608									-		**$52,608**
Food Services		96.0%		$95,840		$95,840									-		**$95,840**
Flex Funds		0.0%		$64,000													**$0**
Crisis Stabilization		96.0%		$184,006								$90,720			$90,720		**$90,720**
Respite Care		0.0%		$93,286											-		**$0**
Foster Care		0.0%		$192,000											-		**$0**
				$681,740		$148,448		$0		$0		$90,720	$0		$90,720		**$239,168**
	Monthly																
Operating Expenses																	
Cell Phones	$55	96.0%		$23,025		$480		$1,980		$1,980		$480			$4,440		**$4,920**

MOU # 10-6020
Attachment I, Exhibit 7
Los Angeles RBS Addenda Received February 3, 2010

	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U
1	**Estimated Annual Costs for RBS**																			
2	*6/16/2010 10:13*	Ck	$4,184																	
3		Ck	$10,194																	
4	**Description**		**Annual Salary**		**Estimated Residential % Title IV-E Eligible?**	**Total AFDC**		**Dedicated Res Tx Care**		**Services in Residential Augmentation Funding For Res Tx Care**									**Total Res Tx Care**	
5						**64 Kids**	**Total**	**16**	**Group Care**	**16**	**CFT**		**CFS**		**FFEPE/Flex Funds**	**Flex Funds**	**FTE**	**Total Augmentation**		
5						FTE	$$	FTE	$$	FTE	$$	FTE		FTE	$$	$$		$$	FTE	$$
56	Conferences & Meeting				96.0%		$17,250		$2,250		$4,500				$1,500			$6,000		**$8,250**
57	Facilities/Occupancy		$125		96.0%		$168,450		$121,500		$4,050		$4,050		$1,350			$9,450		**$130,950**
58	Insurance		$70		96.0%		$46,000		$20,000		$3,500		$3,500		$1,000			$8,000		**$28,000**
59	Mileage		$405		96.0%		$144,400		$1,312		$5,400		$4,050		$2,700			$12,150		**$13,462**
60	Program Eval		$60		96.0%		$35,742		$13,104		$1,440		$1,080		$720			$3,240		**$16,344**
61	Staff Recruiting & Development		$100		96.0%		$56,846		$19,656		$2,160		$1,620		$1,080			$4,860		**$24,516**
62	Supplies & Equipment		$75		96.0%		$42,635		$14,742		$1,620		$1,215		$810			$3,645		**$18,387**
63	Technology/Telecommunications		$125		96.0%		$58,773		$12,285		$2,700		$2,025		$1,350			$6,075		**$18,360**
64	Vehicles		$1,000		96.0%		$21,600		$10,800		$10,800							$10,800		**$21,600**
65	Other				96.0%		$27,000		$13,500									$0		**$13,500**
66			Total				$641,722		$229,629		$38,150		$19,520		$10,990	$0		$68,660		**$298,289**
67	**Composite IV-E Allowable**				**89%**															
68	**Total Direct Cost**						$3,970,160		$1,312,140		$203,403		$91,183		$172,638	$0		$467,223		**$1,779,362**
69																				
70	**Indirect Cost**		10%				$397,016		$131,214		$20,340		$9,118		$17,264	$0		$46,722		**$177,936**
71																				
72	**Total Program Cost**					**FTE**	**$4,367,176**		**$1,443,354**		**$223,743**		**$100,301**		**$189,901**	**$0**		**$513,945**		**$1,957,298**
73																				
74	**Cost per Slot - Annual**					**50.9**			**$90,210**		**$13,984**		**$6,269**		**$11,869**	**$0**		**$32,122**		**$122,331**
75	**Cost per Slot - Monthly**								**$7,517**		**$1,165**		**$522**		**$989**	**$0**		**$2,677**		**$10,194**
76	**Collatorative Model - Proposed[10]**															**$0**			(*)	**$10,194**

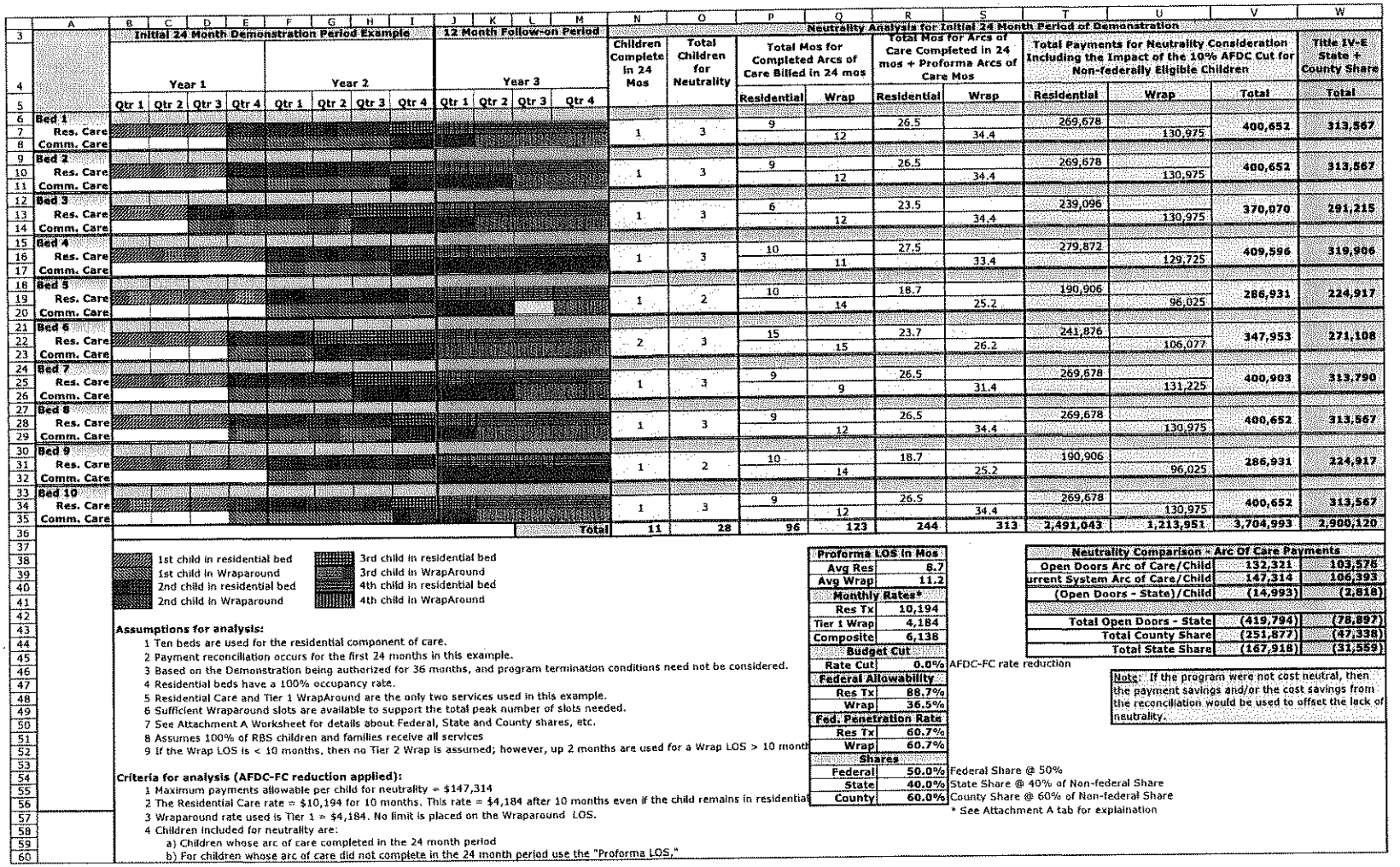
MOU # 10-6020
Attachment I, Exhibit 7
Los Angeles RBS Addenda Received February 3, 2010

	B	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH
1	**Estimated Annual Costs**							**EPSDT**						
2	*6/16/2010 10:13*	**Estimated Residential % Title IV-E Eligible***	**Services to Wrap**			**Group Care**		**Community**		**Total**			**Program Total**	
3														
4	**Description**		**48**	**Wrap Around**		**16**		**48**		**64**	**Total EPSDT**			
5			FTE	$$		FTE	$$	FTE	$$	FTE	$$		FTE	$$
6	**Residential Group Care**												0.40	$34,000
7	Residential Director	0%											1.00	$50,000
8	Milieu Supervisor	0%											13.00	$520,000
9	Youth Specialists	0%											3.50	$133,000
10	On-Call Youth Specialists	0%											17.50	$703,000
11														
12														
13	**Community Services Staff**													
14	Program Director	51%	0.40	**$34,000**		0.08	$6,375	0.23	$19,125	0.30	**$25,500**		1.00	$85,000
15	Clinical Supervisor	0%	0.00	-		0.40	$28,000	0.60	$42,000	1.00	**$70,000**		1.00	$70,000
16	Clinician	0%	0.0	-		2.60	$130,000	3.90	$195,000	6.50	**$325,000**		6.50	$325,000
17	Lead Facilitator	20%	1.0	**$50,000**		0.24	$12,000	0.36	$18,000	0.60	**$30,000**		2.00	$100,000
18	Family Facilitator	20%	5.0	**$220,000**		0.66	$29,040	0.99	$43,560	1.65	**$72,600**		7.65	$336,600
19	Youth Specialist	20%	5.2	**$209,120**		0.88	$35,200	1.32	$52,800	2.20	**$88,000**		8.43	$337,120
20	Family Finding & Engagement Speci	20%	1.0	**$39,520**									2.34	$88,920
21	Lead Parent Partner	20%	1.0	**$40,800**		0.06	$2,400	0.09	$3,600	0.15	**$6,000**		1.27	$50,800
22	Parent Partner	20%	6.0	**$228,000**		0.33	$12,540	0.50	$18,810	0.83	**$31,350**		8.03	$304,950
23	Family Crisis Response Specialist	10%	6.0	**$270,000**		1.00	$45,000	1.50	$67,500	2.50	**$112,500**		8.50	$382,500
24	Administrative Support	51%	1.3	**$45,144**		0.18	$6,480	0.27	$9,720	0.45	**$16,200**		2.00	$72,144
25			26.9	**$1,136,584**		6.43	$307,035	9.75	$470,115	16.18	**$777,150**		48.72	$2,153,034
26	**Mental Health Specialty Staff**													
27	Psychiatrist	0%		-		0.75	$112,500	0.25	$37,500	1.00	**$150,000**		1.00	$150,000
28	Nurse (LVN)	0%		-		1.05	$47,250	0.00	$0	1.05	**$47,250**		1.50	$60,750
29	TBS Worker	0%		-		3.60	$115,200	2.40	$76,800	6.00	**$192,000**		6.00	$192,000
30	QA/QI Clinician	0%		-		0.13	$8,750	0.38	$26,250	0.50	**$35,000**		0.50	$35,000
31	DMH Billing & Chart Staff	0%		-		0.38	$12,480	1.13	$37,440	1.50	**$49,920**		1.50	$49,920
32	MHRS Staff/Youth Specialists	0%		-		5.40	$216,000	3.60	$144,000	9.00	**$360,000**		9.00	$360,000
33				-		11.30	$512,180	7.75	$321,990	19.05	**$834,170**		19.50	$847,670
34	**Shared Program Support**													
35	Program Oversight & Supervision	51%		**$10,186**		0.00	$10,186	0.00	$10,186	0.00	**$20,372**		0.00	$54,558
36														
37				**$10,186**		0.00	$10,186	0.00	$10,186	0.00	**$20,372**		0.00	$54,558
38														
39	**Total Salaries & Wages**		26.94	**$1,146,770**		17.73	$829,401	17.50	$802,291	35.23	**$1,631,692**		85.72	**$3,758,262**
40														
41	**Taxes & Benefits**	51%		**$258,023**			$186,615		$180,515		**$367,131**			**$853,259**
42														
43	**Total Personnel Cost**			**$1,404,793**			**$1,016,016**		**$982,806**		**$1,998,823**			**$4,611,521**
44														
45	**Direct Client Costs**													**$52,608**
46	Residential Client Costs	0%												**$95,840**
47	Food Services	0%												**$64,000**
48	Flex Funds	0%		**64,000**										**$184,006**
49	Crisis Stabilization	51%		**$93,286**										**$93,286**
50	Respite Care	0%		**$93,286**										**$192,000**
51	Foster Care	96%		**$192,000**										**$681,740**
52				**$442,572**			$0		$0		**$0**			
53														
54	**Operating Expenses**													
55	Cell Phones	51%		**$18,105**			$2,925		$8,774		**$11,699**			**$34,724**

MOU # 10-6020
Attachment I, Exhibit 7
Los Angeles RBS Addenda Received February 3, 2010

	B	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH
1	**Estimated Annual Costs**								**EPSDT**					
2	*6/16/2010 10:13*													
3		**Estimated Residential % Title IV-E Eligible[9]**				**Group Care**		**Community**		**Total**				
4	**Description**		**48**	**Wrap Around**		**16**		**48**		**64**	**Total EPSDT**		**Program Total**	
5			FTE	$$		FTE	$$	FTE	$$	FTE	$$		FTE	$$
56	Conferences & Meeting	51%		**$9,000**			$1,500		$3,000		**$4,500**			**$21,750**
57	Facilities/Occupancy	51%		**$37,500**			$6,647		$19,941		**$26,588**			**$195,038**
58	Insurance	51%		**$18,000**			$3,722		$11,167		**$14,889**			**$60,889**
59	Mileage	51%		**$130,938**			$21,536		$64,608		**$86,144**			**$230,544**
60	Program Eval	51%		**$19,398**			$3,191		$9,572		**$12,762**			**$48,504**
61	Staff Recruiting & Development	51%		**$32,330**			$5,318		$15,953		**$21,270**			**$78,116**
62	Supplies & Equipment	51%		**$24,248**			$3,988		$11,964		**$15,953**			**$58,587**
63	Technology/Telecommunications	51%		**$40,413**			$6,647		$19,941		**$26,588**			**$85,361**
64	Vehicles	0%												**$21,600**
65	Other	51%		**$13,500**										**$27,000**
66				**$343,433**			$55,473		$164,918		**$220,391**			**$862,112**
67	**Composit**	**37%**												
68	**Total Direct Cost**			**$2,190,798**			$1,071,489		$1,147,724		**$2,219,213**			**$6,155,373**
69														
70	**Indirect Cost**			**$219,080**			$107,149		$114,772		**$221,921**			**$618,937**
71														
72	**Total Program Cost**			**$2,409,878**		**FTE**	**$1,178,638**		**$1,262,497**		**$2,441,135**		**FTE**	**$6,774,311**
73														
74	**Cost per Slot - Annual**			**$50,206**		**17.7**	**$73,665**		**$26,302**		**$38,143**		**85.7**	
75	**Cost per Slot - Monthly**			**$4,184**			**$6,139**		**$2,192**		**$3,179**			**$6,808,311**
76	**Collatorative Model - Proposed[10]**			**(-) $4,184**										

MOU # 10-6020
Attachment I, Exhibit 7
Los Angeles RBS Addenda Received February 3, 2010



	Initial 24 Month Demonstration Period Example								12 Month Follow-on Period				Neutrality Analysis for Initial 24 Month Period of Demonstration							
	Year 1				Year 2				Year 3				Children Complete in 24 Mos	Total Children for Neutrality	Total Mos for Completed Arcs of Care Billed in 24 mos		Total Mos for Arcs of Care Completed in 24 mos + Proforma Arcs of Care Mos		Total Payments for Neutrality Consideration Including the Impact of the 10% AFDC Cut for Non-federally Eligible Children			Title IV-E State + County Share
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4			Residential	Wrap	Residential	Wrap	Residential	Wrap	Total	Total
Bed 1																						
Res. Care													1	3	9	12	26.5	34.4	269,678	130,975	400,652	313,567
Comm. Care																						
Bed 2																						
Res. Care													1	3	9	12	26.5	34.4	269,678	130,975	400,652	313,567
Comm. Care																						
Bed 3																						
Res. Care													1	3	6	12	23.5	34.4	239,096	130,975	370,070	291,215
Comm. Care																						
Bed 4																						
Res. Care													1	3	10	11	27.5	33.4	279,872	129,725	409,596	319,906
Comm. Care																						
Bed 5																						
Res. Care													1	2	10	14	18.7	25.2	190,906	96,025	286,931	224,917
Comm. Care																						
Bed 6																						
Res. Care													2	3	15	15	23.7	26.2	241,876	106,077	347,953	271,108
Comm. Care																						
Bed 7																						
Res. Care													1	3	9	9	26.5	31.4	269,678	131,225	400,903	313,790
Comm. Care																						
Bed 8																						
Res. Care													1	3	9	12	26.5	34.4	269,678	130,975	400,652	313,567
Comm. Care																						
Bed 9																						
Res. Care													1	2	10	14	18.7	25.2	190,906	96,025	286,931	224,917
Comm. Care																						
Bed 10																						
Res. Care													1	3	9	12	26.5	34.4	269,678	130,975	400,652	313,567
Comm. Care																						
												Total	11	28	96	123	244	313	2,491,043	1,213,951	3,704,993	2,900,120

1st child in residential bed
1st child in Wraparound
2nd child in residential bed
2nd child in Wraparound
3rd child in residential bed
3rd child in WrapAround
4th child in residential bed
4th child in WrapAround

Assumptions for analysis:

1 Ten beds are used for the residential component of care.
2 Payment reconciliation occurs for the first 24 months in this example.
3 Based on the Demonstration being authorized for 36 months, and program termination conditions need not be considered.
4 Residential beds have a 100% occupancy rate.
5 Residential Care and Tier 1 WrapAround are the only two services used in this example.
6 Sufficient Wraparound slots are available to support the total peak number of slots needed.
7 See Attachment A Worksheet for details about Federal, State and County shares, etc.
8 Assumes 100% of RBS children and families receive all services
9 If the Wrap LOS is < 10 months, then no Tier 2 Wrap is assumed; however, up 2 months are used for a Wrap LOS > 10 month

Criteria for analysis (AFDC-FC reduction applied):

1 Maximum payments allowable per child for neutrality = $147,314
2 The Residential Care rate = $10,194 for 10 months. This rate = $4,184 after 10 months even if the child remains in residential
3 Wraparound rate used is Tier 1 = $4,184. No limit is placed on the Wraparound LOS.
4 Children included for neutrality are:
a) Children whose arc of care completed in the 24 month period
b) For children whose arc of care did not complete in the 24 month period use the "Proforma LOS."

Proforma LOS in Mos	
Avg Res	8.7
Avg Wrap	11.2
Monthly Rates*	
Res Tx	10,194
Tier 1 Wrap	4,184
Composite	6,138
Budget Cut	
Rate Cut	0.0% AFDC-FC rate reduction
Federal Allowability	
Res Tx	88.7%
Wrap	36.5%
Fed. Penetration Rate	
Res Tx	60.7%
Wrap	60.7%
Shares	
Federal	50.0% Federal Share @ 50%
State	40.0% State Share @ 40% of Non-federal Share
County	60.0% County Share @ 60% of Non-federal Share

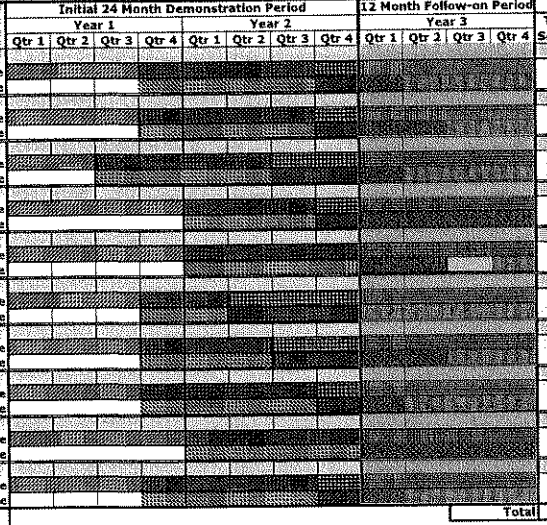
* See Attachment A tab for explaination

Neutrality Comparison * Arc Of Care Payments		
Open Doors Arc of Care/Child	132,321	103,576
urrent System Arc of Care/Child	147,314	106,393
(Open Doors - State)/Child	(14,993)	(2,818)
Total Open Doors - State	(419,794)	(78,897)
Total County Share	(251,877)	(47,338)
Total State Share	(167,918)	(31,559)

Note: If the program were not cost neutral, then the payment savings and/or the cost savings from the reconciliation would be used to offset the lack of neutrality.

MOU # 10-6020
Attachment I, Exhibit 7
Los Angeles RBS Addenda Received February 3, 2010

County & Provider Reconciliation Example For 1st 24 Months of Open Doors Demonstration



	Total Served	Total for Reconciliation	Actual Mos of Care Residential	Actual Mos of Care Wrap	Total Mos of Billing Residential	Total Mos of Billing Wrap	Total Payments Reconciled Residential	Total Payments Reconciled Wrap	Total Payments Reconciled Total
Totals for Initial 24 Month Demonstration Period Analysis									
Bed 1 Res. Care	3	1	9	12	9	12	91,746	44,340	136,086
Bed 2 Res. Care	3	1	9	12	9	12	91,746	44,340	136,086
Bed 3 Res. Care	3	1	6	12	6	12	61,164	44,340	105,504
Bed 4 Res. Care	3	1	12	9	10	11	101,940	46,024	147,964
Bed 5 Res. Care	2	1	12	12	10	14	101,940	52,708	154,648
Bed 6 Res. Care	3	2	15	15	15	15	152,910	56,892	209,802
Bed 7 Res. Care	3	1	9	9	9	9	91,746	37,656	129,402
Bed 8 Res. Care	3	1	9	12	9	12	91,746	44,340	136,086
Bed 9 Res. Care	2	1	12	12	10	14	101,940	52,708	154,648
Bed 10 Res. Care	3	1	9	12	9	12	91,746	44,340	136,086
Total	28	11	102	117	96	123	978,624	467,688	1,446,312

1st child in residential bed
1st child in Wraparound
2nd child in residential bed
2nd child in Wraparound
3rd child in residential bed
3rd child in WrapAround
4th child in residential bed
4th child in WrapAround

Maximum Total Payments/Child Allowed	147,314
(-) Avg. Total Payments Received/Child	131,483
Difference/Child [+ indicates savings]	15,831

Total Savings (Savings - costs to cover neutrality)	174,140
Total County Savings (50%)	87,070
Total Provider Savings (50%)	87,070

Assumptions for analysis:

1 Ten beds are used for the residential component of care.
2 Payment reconciliation occurs for the first 24 months in this example.
3 Based on the Demonstration being authorized for 36 months, and program termination conditions need not be considered.
4 Residential beds have a 100% occupancy rate.
5 Residential Care and Tier 1 WrapAround are the only two services used in this example.
6 Sufficient Wraparound slots are available to support the total peak number of slots needed.
7 See Attachment A Worksheet for details about Federal, State and County shares, etc.
8 Assumes 100% of RBS children and families receive all services
9 If the Wrap LOS is < 10 months, then no Tier 2 Wrap is assumed; however, up 2 months are used for a Wrap LOS > 10 months.

Criteria for analysis (AFDC-FC reduction applied):

1 Maximum payments allowable per child for reconciliation = $147,314
2 The Residential Care rate = $10,194 for 10 months. This rate = $4,184 after 10 months even if the child remains in residential.
3 Wraparound rate used is Tier 1 = $4,184. No limit is placed on the Wraparound LOS. And the Tier 2 rate usedis $1,250
4 Children counted for reconciliation are: 1) exit cohort and 2) children in care 24 months (11 and 0 respectively in this example)

Definition of 'Exit Cohort:'

1 Any child whose Open Doors care terminated in the 24 mo demonstraion period, plus
2 Any child who was in Open Doors care for the entire 24 mo demonstration period.

Proforma LOS in Mos	
Avg Res	8.7
Avg Wrap	11.2
Monthly Rates	
Res Tx	10,194
Tier 1 Wrap	4,184
Composite	6,138
State Budget Cut	
Rate Cut	0.0% AFDC-FC rate reduction
Federal Allowability	
Res Tx	88.7%
Avg Wrap	36.5%
Fed. Penetration Rate	
Res Tx	60.7%
Avg Wrap	60.7%
Shares	
Federal	50.0%
Avg Wrap	40.0%
County	60.0%

MOU # 10-6020
Attachment I, Exhibit 7
Los Angeles RBS Addenda Received February 3, 2010

Description	Annual Salary	Estimated % Title IV-E Eligible	64 Kids	Total	Weighted Value (% x $$)
			FTE	$$	
Residential Group Care					
Residential Director	85,000	96%		34,000	32,640
Milieu Supervisor	50,000	96%	1	50,000	48,000
Youth Specialists	40,000	96%	13	520,000	499,200
On-Call Youth Specialists	38,000	96%	4	133,000	127,680
			17.9	737,000	
Community Services Staff					
Program Director	85,000	96%	1	59,500	57,120
Clinical Supervisor	70,000				
Clinician	50,000				
Lead Facilitator	50,000	96%	1	70,000	67,200
Family Facilitator	44,000	96%	6	264,000	253,440
Youth Specialist	40,000	96%	6	249,120	239,155
Family Finding & Engagement Specialis	38,000	96%	2	88,920	85,363
Lead Parent Partner	40,000	96%	1	44,800	43,008
Parent Partner	38,000	96%	7	273,600	262,656
Family Crisis Response Specialist	45,000	96%	6	270,000	259,200
Administrative Support	36,000	51%	2	55,944	28,531
			32.5	1,375,884	
Mental Health Specialty Staff					
Nurse (LVN)	45,000	96%		13,500	12,960
				13,500	
Shared Program Support					
Program Oversight & Supervision		96%		34,186	32,819
				34,186	
Total Salaries & Wages			50.9	2,160,570	
Direct Client Costs					
Residential Client Costs		96%		52,608	50,504
Food Services		96%		95,840	92,006
Flex Funds		51%		64,000	32,640
Crisis Stabilization		51%		184,006	93,843
Respite Care		51%		93,286	47,576
Foster Care		51%		192,000	97,920
				681,740	
	Monthly				
Operating Expenses					
Cell Phones	55	96%		23,025	22,104
Conferences & Meeting		0%		17,250	
Facilities/Occupancy	125	96%		168,450	161,712
Insurance	70	96%		46,000	44,160
Mileage	405	96%		144,400	138,624
Program Eval	60	96%		35,742	34,313
Staff Recruiting & Development	100	0%		56,846	
Supplies & Equipment	75	96%		42,635	40,929
Technology/Telecommunications	125	96%		58,773	56,422
Vehicles	1,000	96%		21,600	20,736
Other		0%		27,000	
	Total			641,722	2,982,462
Composite IV-E Allowable		**86%**			
Total Direct Cost				3,484,032	

MOU # 10-6020
Attachment I, Exhibit 7
Los Angeles RBS Addenda Received February 3, 2010

6/16/2010

Los Angeles County RBS Project - Development of Title IV-E Allowability Factors (per CDSS on 1.27.10)

Factors are developed for the Residential Rate and Wrap Rate, based on an analysis of the Provider Cost budget, with costs assigned to each component, and shared costs apportioned betweeen components as appropriate.

The IV-E percentages from this spreadsheet have been populated into the entire workbook.

Description	Annual Salary	Assignment to Component: Res	Wrap	Both	Method	Residential Total Base Cost: FTE	$$	Wrap Total Base Cost: FTE	$$	Residential IV-E Factor: IV-E	Extension	Wrap IV-E Factor: IV-E	Extension
Residential Group Care													
Residential Director	$85,000	R				0.4	**$34,000**			96%	$32,640	0%	$0
Milieu Supervisor	$50,000	R				1.0	**$50,000**			96%	$48,000	0%	$0
Youth Specialists	$40,000	R				13.0	**$520,000**			80%	$416,000	0%	$0
On-Call Youth Specialists	$38,000	R				3.5	**$133,000**			80%	$106,400	0%	$0
						17.9	**$737,000**				**$603,040**		**$0**
Community Services Staff													
Program Director	$85,000			B	Per budget	0.3	**$25,500**	0.40	**$34,000**	96%	$24,480	51%	$17,340
Clinical Supervisor	$70,000				EPSDT	0.0	**$0**	0.00	-		$0		$0
Clinician	$50,000				EPSDT	0.0	**$0**	0.0	-		$0		$0
Lead Facilitator	$50,000			B	Per budget	0.4	**$20,000**	1.0	**$50,000**	80%	$16,000	20%	$10,000
Family Facilitator	$44,000			B	Per budget	1.0	**$44,000**	5.0	**$220,000**	80%	$35,200	20%	$44,000
Youth Specialist	$40,000			B	Per budget	1.0	**$40,000**	5.2	**$209,120**	80%	$32,000	20%	$41,824
Family Finding & Engmt Specialist	$38,000			B	Per budget	1.3	**$49,400**	1.0	**$39,520**	96%	$47,424	20%	$7,904
Lead Parent Partner	$40,000			B	Per budget	0.1	**$4,000**	1.0	**$40,800**	80%	$3,200	20%	$8,160
Parent Partner	$38,000			B	Per budget	1.2	**$45,600**	6.0	**$228,000**	80%	$36,480	20%	$45,600
Family Crisis Response Specialist	$45,000		W			0.0	**$0**	6.0	**$270,000**		$0	10%	$27,000
Administrative Support	$36,000			B	Per budget	0.3	**$10,800**	1.3	**$45,144**	96%	$10,368	51%	$23,023
						5.6	**$239,300**	26.9	**$1,136,584**		**$205,152**		**$224,851**
Mental Health Specialty Staff													
Psychiatrist	$150,000				EPSDT	0.0	**$0**		-		$0		$0
Nurse (LVN)	$45,000	R				0.3	**$13,500**		-	0%	$0		$0
TBS Worker	$32,000				EPSDT	0.0	**$0**		-		$0		$0
QA/QI Clinician	$70,000				EPSDT	0.0	**$0**		-		$0		$0
DMH Billing & Chart Staff	$33,280				EPSDT	0.0	**$0**		-		$0		$0
MHRS Staff/Youth Specialists	$40,000				EPSDT	0.0	**$0**		-		$0		$0
						0.3	**$13,500**		-				
Shared Program Support													
Program Oversight & Supervision				B	Per budget	0.0	**$24,000**	$0	**$10,186**	96%	$23,040	51%	$5,195
						0.0	**$24,000**		**$10,186**		**$23,040**		**$5,195**
Total Salaries & Wages						23.80	**$1,013,800**	26.94	**$1,146,770**		**$831,232**		**$230,046**
Taxes & Benefits	22.5%			B	Per budget	0.0	**$228,105**	$0	**$258,023**	96%	$218,981	51%	$131,592
Total Personnel Cost							**$1,241,905**		**$1,404,793**		**$1,050,213**		**$361,638**
Direct Client Costs													
Residential Client Costs	52608	R					**$52,608**			96%	$50,504		$0
Food Services	95840	R					**$95,840**			96%	$92,006		$0
Flex Funds	64000		W				**$0**		**64,000**		$0	0%	$0
Crisis Stabilization	184006			B	Per budget		**$90,720**		**$93,286**	96%	$87,091	51%	$47,576
Respite Care	93286		W				**$0**		**$93,286**		$0	0%	$0
Foster Care	192000		W				**$0**		**$192,000**		$0	96%	$184,320
							$239,168		**$442,572**		**$229,601**		**$231,896**
	Monthly												
Operating Expenses													
Cell Phones	$55			B	Per budget		**$4,920**		**$18,105**	96%	$4,723	51%	$9,234
Conferences & Meeting				B	Per budget		**$8,250**		**$9,000**	96%	$7,920	51%	$4,590
Facilities/Occupancy	$125			B	Per budget		**$130,950**		**$37,500**	96%	$125,712	51%	$19,125
Insurance	$70			B	Per budget		**$28,000**		**$18,000**	96%	$26,880	51%	$9,180
Mileage	$405			B	Per budget		**$13,462**		**$130,938**	96%	$12,924	51%	$66,778
Program Eval	$60			B	Per budget		**$16,344**		**$19,398**	96%	$15,690	51%	$9,893
Staff Recruiting & Development	$100			B	Per budget		**$24,516**		**$32,330**	96%	$23,535	51%	$16,488
Supplies & Equipment	$75			B	Per budget		**$18,387**		**$24,248**	96%	$17,652	51%	$12,366
Technology/Telecommunications	$125			B	Per budget		**$18,360**		**$40,413**	96%	$17,626	51%	$20,611
Vehicles	$1,000	R					**$21,600**		**$0**	96%	$20,736	0%	$0
Other				B	Per budget		**$13,500**		**$13,501**	96%	$12,960	51%	$6,886
	Total						**$298,289**		**$343,433**		**$286,357**		**$175,151**
Total Direct Cost							**$1,779,362**		**$2,190,798**		**$1,566,172**		**$768,685**
Indirect Cost	10%						**$177,936**		**$219,080**	96%	**$170,819**	51%	**$111,731**
Total Program Cost							**$1,957,298**		**$2,409,878**				
Total IV-E Eligible Cost											**$1,736,990**		**$880,415**
Cost per Slot - Annual							**$122,331**		**$50,206**				
Cost per Slot - Monthly							**$10,194**		**$4,184**				
IV-E Allowability Factor - IV-E Eligible Cost divided by Total Base											88.74%		36.53%

Table 1 Monthly Cost of Open Doors Care[1, 10] (revised 01.11.10)

Component of Care	Planned LOS In Months	Cost of Care per Month	Source of Funds	Percent Title IV-E Allowable[12]	Notes
1.Residential Care[2, 3, 4]				89%	
a. Residential Care and Treatment	≤ 10 mos	$10,194 (10% reduction applied to State RCL 13 component only)	Title IV-E Maint & Admin and State AFDC-FC & Admin		• Provider cost details are found in the "Provider Cost" tab of the workbook
b. Child and Family Team					
c. Family Finding, Engagement, Placement and Support (FFEPS)					
d. Flexible Services					
2. Community Care	≤ 12 mos		Title IV-E Maint & Admin and State AFDC-FC & Admin	37%	• See note above
a. Tier 1 Wraparound[5, 9]	--	$4,184			• Tier 1 costs used for funding purposes throughout, except for Attachment A
b. Tier 2 Wraparound[5, 9, 11]	--	$1,250			• Tier 2 Wrap is funded through county funds, not Title IV-E or State funds
c. ITFC	--	$4,028			• Maximum ITFC rate used for planning purposes
d. Respite[6]	≤ 14 days/espisode	See note 6			• Respite included in the appropriate rate for community care
e. Bridge Care[7]	--	≤ $4,476			• Bridge care is funded through the appropriate community care component in use for the bridge care placement
f. Flexible Services					• Flexible Services are provided as part of the appropriate Community Care and associated rate
g. Crisis Stabilization[2, 3, 4]	≤ 14 days/espisode				• Crisis Stabilization is included in the Open Doors residential rate
3. Mental Health Services[8]:					Provider EPSDT costs are detail in the "Provider Costs" tab of this workbook
a. Residential Care	≤ 10 mos	$6,139	EPSDT		
b. Community Care	≤ 12 mos	$2,192	EPSDT		
Composite AFDC-FC Allowable Rate				n/a	See 'IV-E Composite' spreadsheet tab

Notes:

1 Both the initial reconciliation and the State cost neutrality period for the Demonstration are 24 months.

2 Residential treatment paid at $10,194 is limited to a total 10 months with an expected average of 9 months as needed over the arc of care and includes up to 14 days of Crisis Stabilization per incident (30 days total). During this time, parallel Wraparound services, at no extra cost, will be integrated into the residential treatment milieu and augmented with FFEPS where needed to support the child's permanency goals.

3 In cases where a child returns to Residential Treatment for Crisis Stabilization and the stay exceeds 14 days, the episode will become a Residential Treatment placement and the rate will be $10,194/mo. beginning at day 15. (See item #4 below.)

4 If the total time for all stays in residential treatment exceeds 10 months, then the provider will be paid the Tier 1 Wrap rate of $4,184 minus foster care placement costs for the remainder of the arc of care whenever the child is in residential treatment.

5 Tier 1 or 2 Wraparound will be offered throughout the Open Doors episode following Residential Care. It is noted that the Tier 1 cost of $4,184/mo and a Tier 2 cost $1,250 have been used throughout the funding model.

6 Respite will be offered via some form of community-based care as determined by the CFT and will be covered at the appropriate Community Care rate minus foster care placement costs for the 'then in use' child's placement. If the respite LOS exceeds 14 days, then a suitable alternative placement will be determined by the CFT.

7 Bridge Care will be offered to children who are ready to live in a family setting but whose family is not ready for the child to join them in the home. This service may occur in any of the Community Care settings.

8 Mental health services funded through EPSDT are based upon estimates develop by the Wraparound Administration organization and includes TBS, psychiatry and medication support. EPSDT utilization will be monitored and the provider's MCA may be adjusted.

9 The LAC Open Doors Demonstration will serve a total of approximately 160 children, and it is projected that 104 Wraparound slots will be used to support Open Doors at any one time. Other analysis has been performed; for example, if the residential LOS average is reduced to six months, a total of 156 slots will be used and has been planned for as a contingency but not included in the funding model analysis.

10 A possible program extension of 12 months may be authorized for Open Doors based on County and the State decisions to be made by the 24th month. It is anticipated that the Director of DCFS will have delegated authority to extend the Demonstration contracts should this be desired.

11 Tier 2 Wrap can be used for but is not limited to the following:

a) Ensure that there is typically a 60-day transition period at the end of Open Doors for the child and family with the CFT still intact while appropriate community linkages and natural supports fully embrace the child and family.

b) It may also be used for an extended period if the CFT determines this is the best means of treating and caring for the child and family.

c) It may be used to provide for Open Doors provider costs to sustain the CFT when the child is in an IFTC setting and the Open Doors provider is not an ITFC provider.

(Note that there are no placement costs associated with Tier 2 Wraparound.)

12 Title IV-E allowability is being discussed jointly by the demonstration sites, the Alliance and the State. As soon as these conversations are complete this column will be populated based upon those conversations.

From: Rauso, Michael J
To: Stout, Megan@DSS; Fife, Beth@DSS;
cc: bhfife1@gmail.com; Sanson, Will@DSS; Parrish, Lisa; Foster, Kimberly; Molina, Phillip;
Subject: RE: LA"s RBS incentive/reimbursement proposal
Date: Tuesday, March 30, 2010 12:50:56 PM

Good afternoon Megan,

Los Angeles County agrees with the understandings identified in the March 30, 2010 email from Beth Fife.

Thank you for your consideration and partnership in moving Los Angeles County's RBS demonstration project forward.

Can you please confirm when the MOU process will start and the projected delivery date to Los Angeles County?

Thank you,

Dr. Michael J. Rauso, Division Chief
Resource Management Division
3075 Wilshire Boulevard, 9th floor
Los Angeles, CA 90020
(213) 639-4799
rausom@dcfs.lacounty.gov

From: Stout, Megan@DSS [mailto:Megan.Stout@DSS.ca.gov]
Sent: Tuesday, March 30, 2010 10:44 AM
To: Rauso, Michael J; Fife, Beth@DSS
Cc: bhfife1@gmail.com; Sanson, Will@DSS
Subject: FW: LA's RBS incentive/reimbursement proposal

Michael,
As your requested, attached are the documents we reference in Item 1 below.

LA RBS Addendum 1 - Received August 24, 2009
LA RBS Addendum 2 - Received November 12, 2009
LA RBS Funding Model - June 11, 2009

Thanks,

Megan

From: Fife, Beth@DSS
Sent: Tuesday, March 30, 2010 9:17 AM
To: Rauso, Michael J
Cc: Kimura, Julie@DSS; Gunderson, Karen@DSS; Eaton, Barbara@DSS; Fife, Beth@DSS; Stout, Megan@DSS; Sanson, Will@DSS; bhfife1@gmail.com
Subject: LA's RBS incentive/reimbursement proposal

Michael,

On March 11, 2010, in an email communication, you raised the possibility of further amending your waiver request for the Residentially Based Services (RBS) Reform project to include additional waiver provisions to cover the use of State General Fund (SGF) in the RBS incentive/reinvestment process. These potential amendments were raised because of state concerns expressed in our September 24, 2009 response and December 10, 2009 email regarding the use of State General Fund in the incentive/ reinvestment process.

This past week you provided additional information confirming how the incentive/reinvestment process will work and the fund sources and trust funds involved in the RBS payment schemes. After careful consideration of the information you have provided, as well as our review of the goals of the RBS demonstration project in specific relation to the flexibilities and restrictions posed under Title IV-E Child Welfare Capped Allocation Waiver Demonstration, CDSS accepts the proposed incentive/ reinvestment procedures with the following understandings:

1. The county will ensure that the reinvestment procedures outlined in your communications of August 24, 2009 and November 12, 2009, which modified the initial incentive discussion in the Funding Model submitted June 11, 2009, are in fact implemented and incorporated as part of the local procedures between Los Angeles County and the RBS providers. The state does not have any objections on payments

being made from the commingled state and county funds in the MultiAgency Cost Pool to support RBS generally or the incentive/ reinvestment procedures specifically, as these are permissible uses of these funds under the requirements of Senate Bill 163 (Statutes of 1997).

2. The amounts used under this reinvestment approach will be disclosed to the state via the RBS claim forms, which will be modified to reflect the reporting and payment for this reinvestment approach.

3. The county will include both discussion and information in the RBS evaluation regarding the use of the incentive/reinvestment procedure to support the demonstration project, including the amounts determined to be available for use by the providers, the net impact to the RBS foster care funds, the uses of the funds by the providers to augment or enhance RBS, and the impact of these augmentations and enhancements on the demonstration project.

Please inform us immediately if these conditions are acceptable so that we may resume processing your memorandum of understanding to approve and implement your RBS pilot demonstration project.

We appreciate your patience in providing information to address our questions so that this issue could be resolved. If you have any further questions, please feel free to contact me at (530) 867-3673.

Thanks, Beth

Beth Fife

RBS Project Manager, CDSS