



Two Child Welfare Budget Needs & Overview of K-STEP

Presented by:

Michelle M. Sanborn, Children's Alliance
Ginny Anderson, Ramey Estep Homes, Inc.
Marie Liles, Ramey Estep Homes, Inc.

2/3/21

Who is the Children's Alliance?

The Children's Alliance is a non-profit association of child and family services agencies throughout Kentucky, who serve at-risk, abused, neglected and abandoned children and their families.

- ▶ We are 37 community supported organizations, many with over 100 years of experience.
- ▶ We, and other private agencies, care for 45% of the 9,193 children in care who are wards of the state.
- ▶ We provide statutorily mandated services to families and children.
- ▶ We provide a broad array of services including residential, foster care, adoption, independent living and in-home services, which includes family preservation, substance abuse treatment and crisis care.
- ▶ We serve the most difficult to place children suffering from physical abuse, sexual abuse, and/or neglect who exhibit emotional, behavioral and mental health issues requiring treatment to become productive citizens.

KRS 199.641 states...

“when the department chooses to contract with a child-caring facility and child-placing agencies for services to a child in the custody of or committed to the department, the department shall make payments to that facility based on the rate setting methodology developed from the model program cost analysis.”

Model Program Cost Analysis

A report based on a time study, the allowable cost reports, and other information required by the department that determines a statewide median cost.

2018 Model Program Cost Analysis Results

Child-Caring Facilities were underfunded, based on their allowable costs, by \$14,051,310

If the state were to implement the median rate, per KRS 199.641, the state would need to increase child-caring facilities reimbursement rates by a total of \$9,544,224

**State General Fund Budget Request =
\$6,680,957**

New Federal Law: Family First Prevention and Services Act

Most significant child welfare law in 20 years.

2 Main Parts:

Part I: Prevention services

States gained the option to use federal title IV-E funding for prevention services for children, parents and/or kin caregivers.

Part II: Ensuring appropriate placements

Created a Qualified Residential Treatment Program (QRTP) and established restrictions on use of federal funds when a child is not placed in a family-setting.

Use \$20 Million in One-Time Funds to Increase Family First Prevention Programs

Family Preservation Program (FPP)

- Intensive Family Preservation Services (IFPS)
- Family Reunification Services (FRS)
- Families & Children Together Safely (FACTS)
- Diversion

Kentucky Strengthening Ties and Empowering Parents (KSTEP)

Sobriety Treatment and Recovery Team (START)

KY Family Preservation/Prevention Programs

In State Fiscal Year (SFY) 2019 Kentucky...

spent \$476 million on out-of-home care expenses, while only investing \$18 million in front-end in-home prevention and preservation services.

*(Department for Community Based Services
KENTUCKY TITLE IV-E PREVENTION PLAN, 8/23/19)*

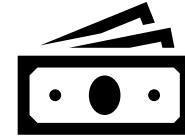
providers of family preservation services successfully kept children in their homes and communities 96% of the time.

*(Department for Community Based Services 2019
Family Preservation Services Report, 9/15/19)*

spent about \$6,000 per family on prevention services yet spent over \$51,000 per child to care for children in out-of-home care.

*(Department for Community Based Services 2019
Family Preservation Services Report, 9/15/19, and
DCBS Statewide Foster Care FACTS report -
September 2019)*

Serving 100 children in FPP

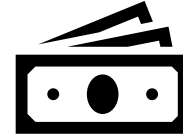


Children		Cost/Child		State Spending	
100	X	\$6,000	=	\$600,000	FPP
100	X	\$51,000	=	\$5,100,000	OOHC

When FPP is 90% Successful?

Children		Cost/Child		State Spending	
100	X	\$6,000	=	\$600,000	FPP
10	X	\$51,000	=	\$510,000	OOHC
				\$1,110,000	Total
			SAVINGS	\$3,990,000	OOHC

FPP Savings SFY 19



Children		Cost/Child		State Spending	
5122	X	\$6,000	=	\$30,732,000	FPP
5122	X	\$51,000	=	\$261,222,000	OOHC

FPP 96% Successful SFY19?

Children		Cost/Child		State Spending	
5122	X	\$6,000	=	\$30,732,000	KSTEP
200	X	\$51,000	=	\$10,200,000	OOHC
				\$40,932,000	Total
			SAVINGS	\$220,290,000	OOHC

Not only is investing in FPP services fiscally sound, it is good for children and families....



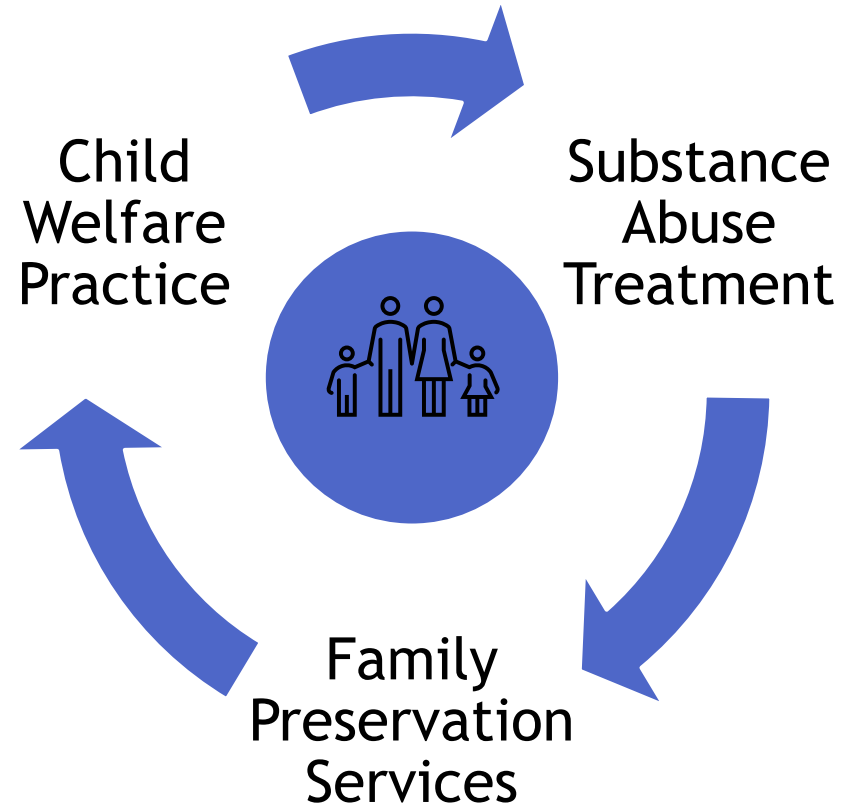
What is KSTEP?

Kentucky Strengthening Ties and Empowering Parents

- ▶ Collaboration between DCBS and community partners to ensure quick access to evidenced-based substance abuse treatment and intensive in-home services.
- ▶ Addresses parental substance abuse that is placing child safety at risk.
- ▶ DCBS refers cases when:
 - ▶ One child in the home (9 and under) is at moderate to imminent risk of removal
 - ▶ Parental substance abuse is a primary risk factor
 - ▶ The family has an investigative (not an ongoing) CPS case
 - ▶ The investigation will result in the case being opened for on-going services

What is the purpose KSTEP?

Reduce the number of children entering Out-of-Home Care
by integrating:



Goals

Families remain intact and children remain safely in their home



Children who enter OOHC are reunified at higher rates and in a timely manner



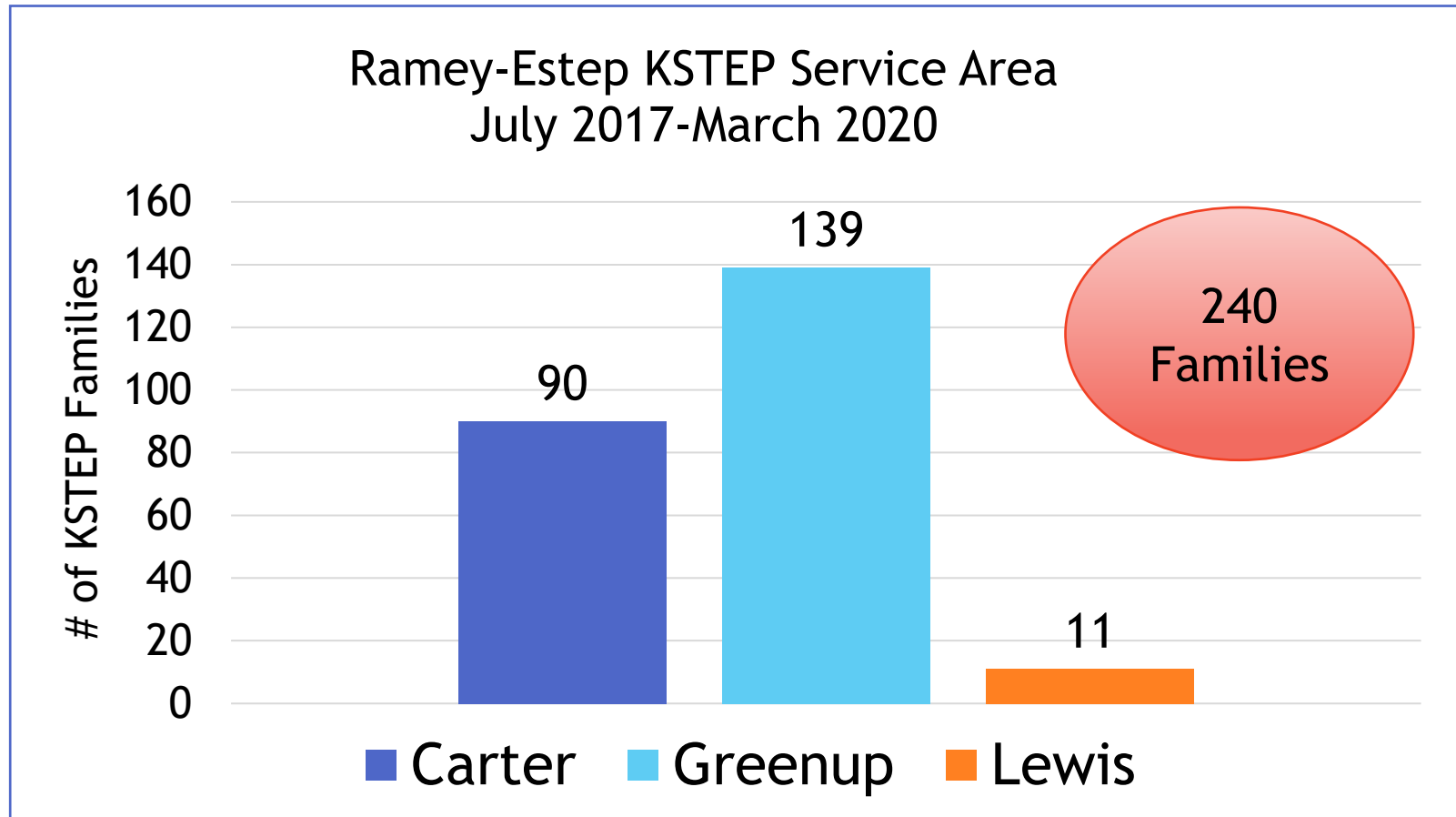
Decrease repeat maltreatment



Fewer children re-enter OOHC

Ramey-Estep KSTEP

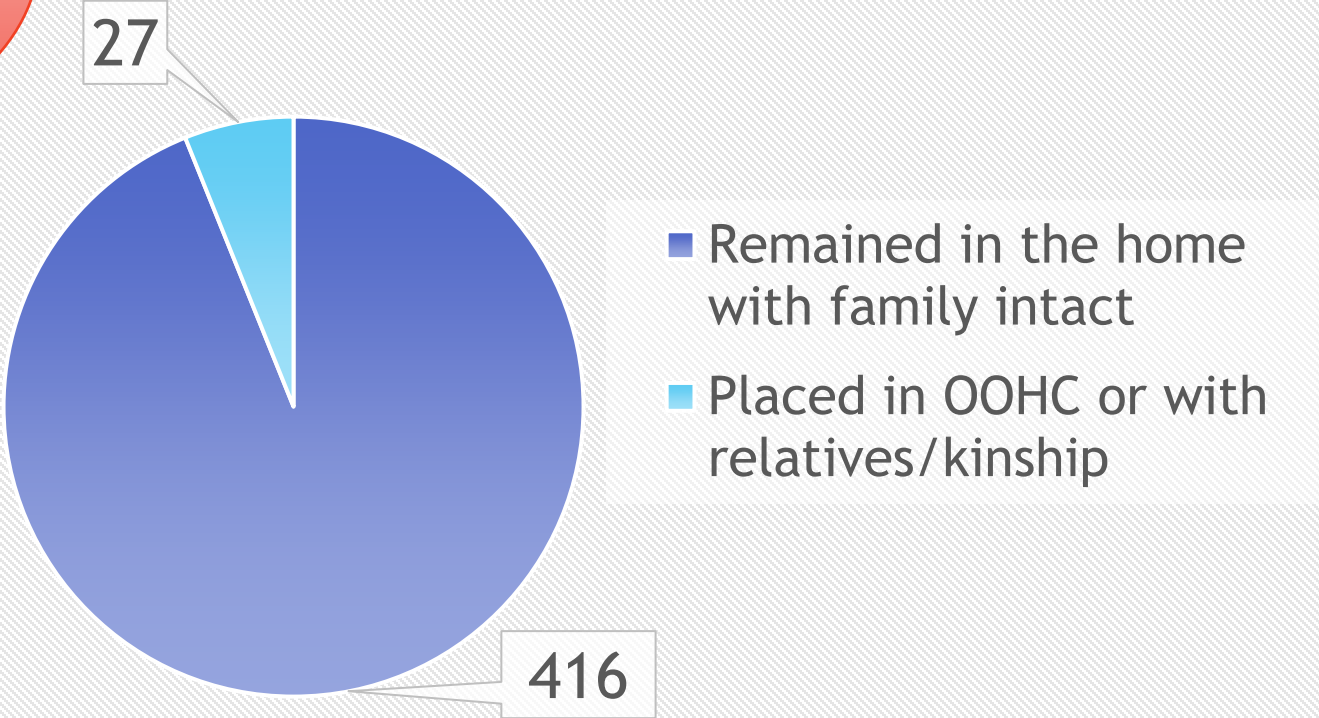
July 2017: Ramey-Estep partners with DCBS to begin KSTEP in the Northeastern region.



Ramey-Estep Outcomes: 220 Families/443 Children (July 2017-March 2020)

94%
Success

Ramey-Estep KSTEP Outcomes
July 2017-March 2020



Serving 443 children in KSTEP



\$18,988,596
Savings

Children		Cost/Child		State Spending	
443	X	\$51,000	=	\$22,593,000	OOHC

When KSTEP is 94% Successful?

Children		Cost/Child		State Spending	
443	X	\$5,028	=	\$2,227,404	KSTEP
27	X	\$51,000	=	\$1,377,000	OOHC
				\$3,604,404	Total
			SAVINGS	\$18,988,596	OOHC

Save
\$18,988,596
&
Families Stay
Together



Budget Request:

Private Child Caring Agencies Reimbursement Rates:
\$6,680,957 State General Fund to increase reimbursement rates to private child caring agencies for residential and emergency shelter services provided to children in accordance with KRS 199.641.

Preservation and Prevention Program Expansion:
\$20,000,000 one-time funds to expand Family Preservation and Prevention programs to reduce the number of children in out of home care and enable families to safely remain together.

For further information please contact:

**Michelle Sanborn, President
Children's Alliance
michelle@childrensallianceky.org
502-875-3399 ext. 3**



**Ginny Anderson, Chief Executive Officer
Ramey-Estep Homes/Re-group
ganderson@rameyestep.com
606-928-6648 ext. 14228**

