

# **DEPARTMENT OF CHILD SAFETY**



## **DCS Report on Progress Implementing Key Components of the Family First Prevention Services Act**

**December 1, 2022**

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## **EXECUTIVE SUMMARY**

Pursuant to Laws 2022, Second Regular Session, Chapter 313, Section 17, the Department of Child Safety (DCS) is required to submit a report to the Joint Legislative Budget Committee (JLBC), by December 1, 2022, on the Department's efforts to implement the Family First Prevention Services Act (FFPSA) of 2018. This report quantifies the Department's efforts in several key areas required in the FFPSA including any fiscal impacts. Three prior progress reports were required and submitted on January 2, 2020, December 30, 2020, and December 1, 2021.

Requirements of this current report include:

- Expanding evidence-based, in-home parent skill-based programs, and mental health and substance abuse prevention and treatment services.
- Reducing the number of children placed for more than two weeks in congregate care settings, excluding qualified residential treatment programs, facilities for pregnant and parenting youth, supervised independent living and specialized programs for victims of sex trafficking.
- Assisting congregate care providers in attaining status as qualified residential treatment programs (QRTP).
- Identifying alternative placements, including therapeutic foster homes, for children who would otherwise be placed in congregate care.

### **Family First Prevention Services Act**

On February 9, 2018, the FFPSA (also commonly referred to as Family First) was signed into law, as part of the Bipartisan Budget Act of 2018 (H.R. 1892). FFPSA includes reforms to help keep children safely with their families and avoid entering foster care when safe to do so. It emphasizes the importance of children growing up in families and helps ensure children are placed in the least restrictive, most family-like setting appropriate to their special needs when out-of-home care is necessary.

This act reforms federal child welfare financing streams, Title IV-E and Title IV-B of the Social Security Act, to provide services to families who are at imminent risk of entering the child welfare system, commonly referred to as Reasonable Candidates for Foster Care. The bill aims to prevent children from entering foster care by allowing federal reimbursement for mental health services, substance use treatment, and in-home parenting skill training. It also seeks to improve the well-being of children already in foster by incentivizing states to reduce placement of children in congregate care through eliminating reimbursement for children placed on group home settings.

Key to understanding the Department's efforts and progress on implementing FFPSA requirements is that states were allowed to take the option to delay the effective date of the restrictions on the Title IV-E Foster Care Maintenance payments up to two years. States that opted for the delay were prohibited from seeking Title IV-E prevention investments for the same period of time. Arizona elected to delay implementation until October 1, 2021.

## OVERVIEW OF FAMILY FIRST

Family First makes numerous changes that fundamentally impact funding, state IV-E plans, placement options, prevention services as well as young adult programs and eligibility requirements. This report will provide an assessment of the Department's progress toward implementing specific components of the FFPSA as required by the Arizona legislature. A detailed overview of FFPSA was provided in the initial report issued January 2, 2020.

The FFPSA is a major and significant piece of legislation that greatly impacts the manner in which states approach efforts to prevent child abuse and neglect victims from entering out of home care, operationalizes and assesses the decision-making process for placing children in out-of-home care, and changes key components to how title IV-E funding is provided to states.

Family First includes historic reforms intended to help keep children safely with their families and avoid the experience of entering foster care, emphasizes the importance of children growing up in families and helps ensure children are placed in the least restrictive, most family-like setting appropriate to their needs when foster care is needed.

Funding can now be focused on maintaining in home placement and seeks to ensure that it is focused on the placement of children in family-like settings. Restrictions on how long funding is allowable for youth in congregate care settings incentivizes states to ensure that these living arrangements are designed to serve specific, identified needs.

The central feature of the bill is that states will now be able to use title IV-E funds for "time-limited" services aimed at preventing the use of foster care in child abuse and neglect cases. Currently, title IV-E funds are only allowable for spending on foster care settings and for assistance to adoptive families.

There are three areas of prevention related services that states can spend this money on:

- services to address mental health challenges;
- substance abuse treatment; and
- in-home parent skill-based programs.

Two groups are eligible for these new services:

- parents or relatives caring for children who are "candidates for foster care" and
- youth in foster care who are pregnant or already parents.

## **DEPARTMENT EFFORTS TO PREPARE (ADMINISTRATIVE ACTIONS)**

### **Delayed enactment**

The Department of Child Safety opted to delay FFPSA implementation for up to two years (October 1, 2021) to allow the Department to be fully prepared for the new law. The majority of states have followed suit with this decision such that only four (4) states opted into the new initial go-live on October 1, 2019. The Department used the additional time to further address the reduction of the utilization of congregate care, convert some non-qualifying placements to become qualifying and conduct programmatic work on in-home and substance abuse services to comply with the strict eligibility requirements under the Preventative Services provision of the law. Prior reports on the Department's efforts to implement FFPSA issues in January and December of 2020 outlined administrative efforts to prepare.

## **DEPARTMENT EFFORTS TO EXPAND EVIDENCE-BASED, IN-HOME PARENT SKILL-BASED PROGRAM AND MENTAL HEALTH / SUBSTANCE ABUSE PREVENTION AND TREATMENT SERVICES**

### ***Prevention Programs and Services Plan***

The Department submitted its FFPSA Prevention Programs and Services Five Year Plan for review by the Children’s Bureau (CB) in August 2021. The proposed plan included four evidence-based programs with a well-supported rating by the Title IV-E Clearinghouse: Multi-Systemic Therapy, Healthy Families, Parents as Teachers, and Nurse-Family Partnership. This plan proposed federal reimbursement for services provided to families eligible for any of the services, whether or not the child has an open DCS case or a report to the DCS Hotline. As such, Arizona’s proposed plan supports prevention of reports to DCS in addition prevention of entry to foster care after abuse or neglect has occurred.

The Children’s Bureau did not approve the plan due to concerns with Arizona’s proposal of reimbursement for services to families who have not had a DCS Hotline report nor have an open DCS case. Since then, the Children’s Bureau has approved at least State’s Prevention Plan with a similar proposal and encouraged states such as Arizona to resubmit their plans. DCS has set a target to resubmit Arizona’s Prevention Plan to the Children’s Bureau by the end of November 2022. The revised plan will include Healthy Families, Parents as Teachers, and Nurse-Family Partnership.

### ***Data Reporting for Prevention Services***

As previously described, the State’s prevention services plan must be updated every five-year period for which the plan is in operation. Within the five-year prevention program plan, the State must provide an assurance that the agency will report child-specific data to the Children’s Bureau (CB) for each child who receives Title IV-E prevention services. Each state must submit the following data elements semi-annually:

1. Title IV-E agency identifier
2. Child identifier
3. Date of birth
4. Sex
5. Race
6. Hispanic or Latino ethnicity
7. Pregnant or parenting youth in foster care (Y/N)
8. Child’s prevention plan start date
9. Type of service(s) (mental health, substance abuse, parent skill-based)
10. Service start date(s)
11. Cost of services(s)
12. Service end date(s)

13. Foster care placement status at 12 months from prevention plan start date (Y/N indicator of whether the candidate entered foster care 12 months from the prevention plan start date)
14. Foster care entry (Y/N)
15. Date of entry into foster care

## **Enhanced In-Home Parent Skill-Based Programs**

### ***Summary of existing in-home parent skill-based programs***

The Department has expanded its in-home parent skill-based programs to improve service accessibility and quality for families who receive a report to DCS.

Between July and October 2021, DCS implemented Nurturing Parenting Program (NPP) and Family Connections (FC) to expand the availability of parent skill-based programs. These programs are evidence-based with a rating of Promising from the California Evidence-Based Clearinghouse for Child Welfare, but are not currently rated by the Title IV-E Clearinghouse and therefore not eligible for FFPSA funding. DCS contracted with a program evaluation and research agency to produce a rigorous evaluation of NPP. This evaluation found statistically significant positive impact for families completing the program and has been submitted to the Clearinghouse. The results are expected to produce a rating of Supported once reviewed by the Title IV-E Prevention Services Clearinghouse. FC is being evaluated in another jurisdiction and if positive impact is found that evaluation will be submitted to the Clearinghouse for review. If favorable ratings are obtained, Arizona will be able to claim title IV-E reimbursement for NPP and FC services.

Healthy Families Arizona (HFAz) is a voluntary home visitation program that serves expectant women and parents of newborns. Pregnant women and parents of newborns under three months of age who face challenges that might be an obstacle to successful parenting are eligible for services, with or without DCS involvement - families do not need to have had a DCS report to be eligible for HFAz services. Program services are designed to strengthen families during the first five years of a child's life, when vital early brain development occurs. Intensity of services moves gradually from weekly to quarterly home visits. Services include child development education, parenting skills training, nutrition and preventative health care education, developmental and health assessments, and referrals to community resources for such items as immunizations and school readiness programs. HFAz served 4,337 families in federal fiscal year (FFY) 2020.

### ***Revision Efforts***

HFAz is an accredited program that received a well-supported rating from the Title IV-E Prevention Services Clearinghouse and its design will not be changed. To the extent this program is already funded through the federal MIECHV grant, it would not be eligible for title IV-E prevention services funding.



DCS selected Family Connections and Nurturing Parent Program to replace the In-Home Family Preservation, Family Reunification, and Building Resilient Families programs. These programs were identified following data analysis to identify target populations, stakeholder engagement through meetings and Requests for Information, and review of hundreds of potential in-home parent skill-based programs. Assessment of fit and feasibility identified these programs as having the best promise for preventing entry of children into out-of-home care. Evidence-base rating was a factor considered in program selection. The Title IV-E Prevention Services Clearinghouse does not currently include a program that addresses the needs of the DCS target population, is adaptable to the range of families served, is fiscally feasible to operate, and is likely to reduce entry into out-of-home care for a significant number of children. As previously noted, DCS is working with the Family Connections and Nurturing Parenting Program developers and an independent evaluation agency to generate program evaluations and achieve a rating that will allow reimbursement through title IV-E under FFPSA.

### **Mental Health Services**

On April 1, 2021, Arizona became the first state in the nation to integrate behavioral health and physical health service delivery through a dedicated health plan housed within DCS. Previously, children and youth in out-of-home care received their physical and dental health coverage from the Department's health plan, the Comprehensive Medical and Dental Program (CMDP) and behavioral health benefits from one of three Arizona Regional Behavioral Health Authorities.

DCS awarded a contract to Mercy Care, a not-for-profit company that has been serving AHCCCS members in Arizona since 1985. DCS, along with Mercy Care, now oversee the provision of physical and behavioral health services for children and youth in care and provide targeted engagement to enhance service delivery and supports to children and their caregivers. The Department's health plan changed its name from Comprehensive Medical and Dental Plan (CMDP) to Mercy Care DCS Comprehensive Health Plan (Mercy Care DCS CHP).

As a result, the rapid response referral process was integrated and now provides additional support accessing and assessing physical health needs much sooner. Additionally, the DCS CHP provides initial outreach efforts, contacting the caregivers for children newly entering care to ensure caregivers understand and have access to physical, dental and behavioral services. Placement Stabilization services have also been expanded from Maricopa and Pinal counties to now include Yavapai county with additional plans to expand further. Behavioral health technicians are also co-located at the Welcome Center to provide supports for youth and children entering out-of-home care and transitioning to their initial caregiver or for youth and children disrupting from their current caregiver home.

Mercy Care DCS CHP has expanded the network of higher levels of care of behavioral health inpatient facilities and residential facilities to better meet the needs of youth in care. DCS Specialist also have access to the Mercy Care FamilyConnect portal that provides them immediate access to specific records and information related to the provision of services to youth assigned to their caseload.

Significantly, Mercy Care DCS CHP offers an enhanced caregiver experience by providing easier navigation of health service for youth in their care. This includes readily accessible health information, enhanced care coordination support (“Care Management”). The addition of the Resource Coordination Unit makes access to and familiarity with services available to youth a more efficient. This unit supports caregivers through outreach and coordination to enhance a ‘whole child’ and family approach to healthcare services. This also includes assistance with the selection of health care providers and pharmacies, explanation of benefits and outline the requirements of healthcare appointments within the first 30 days of entry into foster care.

### **Enhanced Substance Abuse Prevention and Treatment Services**

#### ***Summary of Arizona Families F.I.R.S.T.***

The Arizona Revised Statutes 8-882, 8-883 and 8-884 established the Arizona Families F.I.R.S.T. (AFF) program to help clients address substance use issues that affect their ability to appropriately care for their children and/or their ability to obtain and maintain employment. In order to reduce or eliminate abuse of, and dependence on, alcohol and other substances, the AFF program offers substance use disorder assessment, treatment, recovery maintenance, and a variety of supportive services to:

- Parents, guardians, or custodians of a child involved in a DCS maltreatment report, whose substance abuse is a significant barrier to maintaining, preserving, or reunifying the family; and
- Department of Economic Security’s (DES) Jobs Program clients who receive Temporary Assistance for Needy Families (TANF) cash assistance and whose substance abuse is a significant barrier to obtaining or maintaining steady employment.

#### ***Revision Efforts***

The former AFF program and scope of work had been in place since 2012 and was due for update and re-solicitation. In November 2020, DCS awarded a new contract, which is described in a comprehensive AFF Program Manual and included the following enhancements:

- Use of Recovery Coaches to improve outreach and rates of assessment and treatment completion
- A single assessment instrument to be used by all providers
- Expansion of the levels of care provided under AFF
- Inclusion of medication assisted treatment (MAT), which is not currently available through AFF

- A requirement that all treatment programs and interventions provided within the AFF program have an evidence rating of well-supported or supported by the Title IV-E Prevention Services Clearinghouse or the California Evidence-Based Clearinghouse
- Expansion to serve adolescents in care, in addition to the small number of teen parents who are currently served in AFF
- Expanded requirements to involve the client’s family and support system in AFF treatment and recovery services
- Expanded requirements for Care Coordination, so that the client’s needs for housing, nutrition, health care, child care, and other supportive services are addressed
- Requirements for providing recovery maintenance as an essential treatment component, rather than an option

Updates to the substance abuse prevention and treatment program, Arizona Families F.I.R.S.T., include a standardized assessment instrument, evidence-based treatment requirements, and service expansion for young people and the whole family. This new contract was implemented on February 1, 2021.

***Blended Revenue and Service Costs***

Funding for AFF substance use disorder treatment comes from various sources, including DCS, AHCCCS, private insurance, tribal entities, the Veterans Administration, and Medicare. Figure 1 illustrates the funding source for assessments for new and continuing clients in SFY 2021. AFF is the payer of last resort according to the statute, covering any amount not covered by these other organizations. For state costs (outreach/engagement, intake, costs not covered by RBHA, an ACC health plan, and all costs for non-Title XIX clients), the total amount of program funding for SFY 2021 was \$5,974,096 of which \$17,807 was state matching funds (DCS) with the rest from federal TANF funding. This is in addition to the funding provided by the ACC health plans, RBHAs and TRBHAs for Title XIX-eligible clients for treatment and other supportive services.

**Figure 1**

	n	%
DCS/AFF	1,706	28.4%
AHCCCS	4,138	68.8%
Medicare	8	<1%
Private Insurance	58	<1%
Tribal Funded	100	1.7
Veteran	5	<1%
Missing	0	0%
Total Assessments	6,015	100%

Title IV-E prevention services funding would only be available for services to adolescents and parents of children who remain in-home and whose AFF services are not funded through AHCCCS, private insurance, tribal entities, the Veterans Administration, or Medicare. In SFY 2021, 28.4% of AFF clients had DCS/AFF as their funding source.

### **Summary of Prevention Enhancement Efforts**

Reasonable Candidacy is critical to FFPSA, as states will have the option to utilize Title IV-E funds for children who are at risk of foster care placement and for their families. Children who are “candidates” for foster care are identified in a prevention plan as being at risk of entering foster care but who can also safely remain at home if they and their families are provided appropriate services.

Arizona currently offers substance abuse treatment services (AFF) for families where drug use is impacting their ability to care for their children. The Department has updated and improved this program, which has already shown to be helpful to those who actively engage in services. DCS is working closely with the substance use treatment provider community to continue to implement improvements.

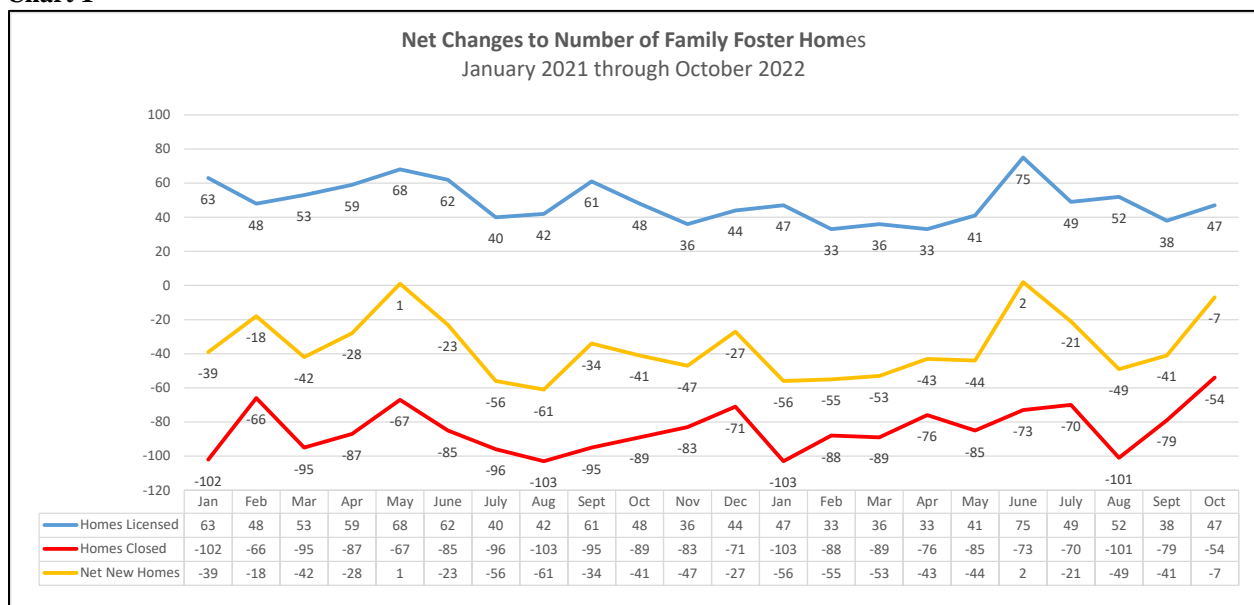
AFF is funded by several sources (Medicare, Medicaid, private insurance, tribal, DCS, and veteran) depending on a client’s eligibility and resources. Prevention and treatment services funded by Title IV-E under Family First will only be available to adolescents and the parents of children who remain in the home and whose AFF services are not provided through these other sources.

Effective July 2, 2021, DCS implemented a new services array to include Family Connections and Nurturing Parenting Program, which replaced Family Preservation, Building Resilient Family, and Family Reunification. Because prevention services/programs must meet specific evidence-based requirements, these revisions were undertaken to align them with this requirement of FFPSA.

## FOSTER CARE PLACEMENT ARRAY

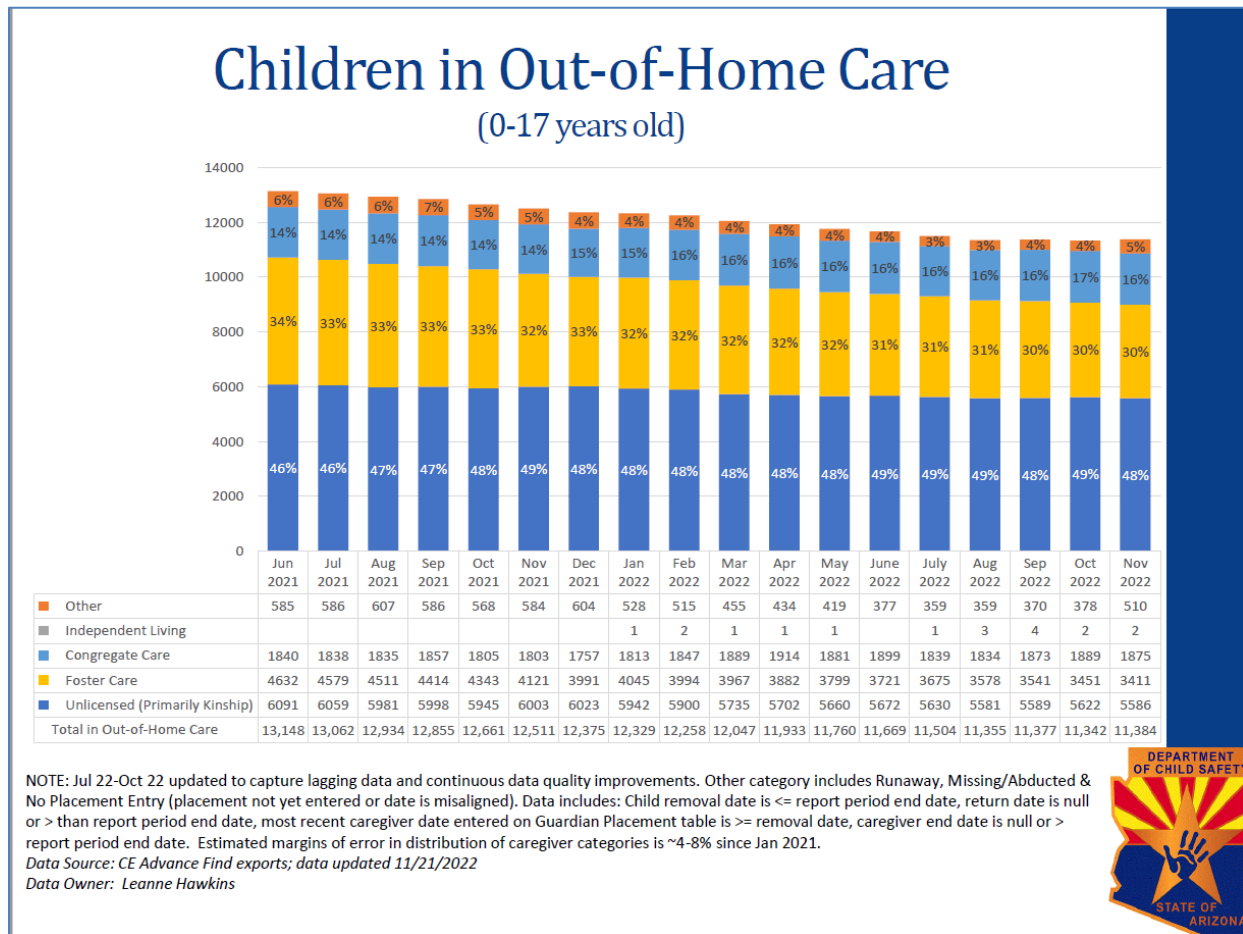
Since 2017, the Department has initiated and supported ongoing work on several projects, which will enhance the foster caregiver placement array. The Department has been strategic in its implementation of all aspects of the projects to ensure success at each stage. Approaches of the projects have addressed the needs of children in the child welfare system and ensured appropriate and adequate use of out-of-home caregiver options. As illustrated in Chart 1 below, DCS has slowed the net loss of licensed foster homes since January 2020. While the closure of community licensed foster homes is still greater than the number of new homes licensed, this has reduced significantly from a net loss of 47 homes in August 2020 to only 7 in October 2022 with three months showing a net gain in number of licensed foster homes. The goal is always to replace any foster caregivers who close their license. From June 2020 through June 2022, there has been a 23 percent decrease in licensed homes although it should be noted the percentage of children and youth placed with kinship caregivers continues to exceed licensed caregivers and is well above the natural average. Additionally, the number of children under the age of 18 in out-of-home care has decreased by 12 percent since June 2020 (13,161) through June 2022 (11,632). During this reporting period, there has been one additional month with a positive net new result – June 2022. Though the number of community foster caregivers closing their licenses has increased, the main reason for closure remains adoption/guardianship. Many of the foster home closures that occurred during SFY2022 due to finalization of an adoption or guardianship. During the fiscal year, there were 1,488 licenses closed, of which, 530 (36 percent) were closed due to adoptions, guardianship or reunification with family. Department staff conduct outreach to all foster parents who indicate a reason of dissatisfaction on their license closure paperwork and reach out to previously licensed foster families after they have closed their license due to an adoption to inquire about their interest in becoming relicensed.

**Chart 1**



The Department has continued the work on the caregiver placement array and ensuring children are placed in a family setting. The following are the goals the Department seeks to achieve and the strategic plan to ensure the goals can be achieved. The first goal is that 65 to 70 percent of children, ages zero to 17, are placed in a kinship home (unlicensed or licensed) and the second goal is that 25 to 30 percent of children, ages zero to 17, are placed in community foster homes. If achieved the Department would reduce the utilization of congregate to be less than ten percent.

Chart 2 displays the current distribution of children placed in out-of-home care by caregiver type. It should be noted that ten percent the foster care is made up of licensed kinship.



With the COVID-19 pandemic in 2020-2021, the need for family like settings, as well as supports and resources has been of utmost importance to the Department. In an effort to provide comfort and safety to foster caregivers, the Department created and deployed several initiatives to support caregivers, including but not limited to, a virtual visitation with caregivers and between children and their families. Additionally, the Department collaborated with many community providers to ensure caregivers had critical resources in which access was complicated by the impacts of COVID-19. The Department also worked closely with the Department of Education and

Educational Liaisons to ensure that children's educational needs were met even when flexibility was needed.

In this reporting period, the Department began working with caregivers, community partners, and the Department of Education to ensure children were safe when returning to in-person learning. Additionally, family/sibling visits, Child and Family Team (CFT) meetings, court hearings, and more have gone back to in person.

## **EFFORTS TO REDUCE THE NUMBER OF CHILDREN PLACED IN CONGREGATE CARE SETTINGS**

### ***Kinship Licensing and Kinship Supports***

The following strategies are being worked to increase the utilization of kinship care but also increase the support kinship families receive to ensure stability of children being cared for in their homes.

The Department contracted with an organization, *A Second Chance Incorporated*, to first evaluate our process and utilization of kinship homes. They conducted focus groups with DCS specialists, field leaders, unlicensed and licensed kinship caregivers, placement administration staff, community partners, licensing agencies and the executive team and provided an assessment in August of 2022. We have now entered the next phase of our engagement with ASCI to develop what will be the Arizona Gold Standard for expeditiously licensing kinship families. The process has included developing a checklist to overcome any known licensing barriers timely and both enhancing existing community partnerships as well as determining if new partnerships are necessary to ensure families are successful in the licensing process. The Department is also working with ASCI on the development of a pre-licensing training program that is specific to the needs of kinship families and their success while engaged with the child welfare system.

Concurrent to this work, the Department implemented a strategy to bifurcate our existing Foster and Adoption Supports contract to have two contract solutions: one for kinship families and one for community families which will be discussed later in this document. A new contract specific for kin families has been developed called *Kinship Support Services*. This contract solution offers many new opportunities to enhance our support of kinship families. The primary focus of this contract will be:

- Kinship Assessment and Supports (for families who do not wish to become licensed)
- Kinship Navigation
- Kinship Licensing (timeline 60-90day)
- Kinship Permanency Services

All kinship families will be referred to this contract at the time they are identified for possible placement or at the time placement occurs if identified through emergency placement. Each kinship caregiver will receive the Arizona Kinship Support Services (AKSS) model for kinship navigation. This model has been evaluated as a well support program by the Title IV-E Prevention Services Clearinghouse. In addition, caregivers will receive ongoing monthly support through this solution regardless of their

decision to become licensed. This will offer more support and navigation through the child welfare system which will support the stability of children placed.

The Department intends to encourage more families to become licensed by creating an efficient timeline of licensing within 60-90 days. This will be done in a streamlined operational process that is currently in development with ASCI. The Department will continue to engage ASCI to support not only the redesign of a training solution specific to kinship caregivers but also support the licensing timeline. This strategy includes adjustments to our approach through contracting for licensure/supports but also the response by the Office of Licensing and Regulation. The Department has also communicated across the organization on the strategies to better support kinship families and to work with them on supporting a licensing solution. A path will be created to review steps along the way to licensure to ensure any process gaps are uncovered and address early and limit delays in the issuance of a license to the families.

On a case-by-case basis, the Department works with the Office of Licensing and Regulation (OLR) and contracted licensing agencies to grant waivers of non-safety related licensing standards that would prevent kinship caregivers from becoming licensed. The waivers most often relate to some aspect of the sleeping arrangements to accommodate sibling groups. A smaller number relate to income requirements or certain flexibilities needed to complete necessary training.

The Statewide Placement Administration (SPA) was formed in 2017. This administration coordinates requests for licensed caregivers for children in out-of-home care; supports kinship caregivers by providing or directing kin to tangible resources including emergency food, clothing, beds, infant care items, etc.; and provides assistance to struggling kinship caregivers to help resolve barriers to maintaining children in their homes. Under the SPA, Kinship Support Specialists (KSS) conduct outreach and support to kinship caregivers. Kinship Engagement Support Specialists (KESS) at the SPA support field staff in seeking connections and/or kinship caregivers for children and youth recently entering into care.

In January 2022, Governor Doug Ducey requested to increase the kinship stipend to \$300 per child monthly. This bill was signed by the Arizona Legislature and went into effect in July 2022. Additionally, the Department has begun working on a process to decrease the time it takes for kinship caregivers to become licensed, with a goal of obtaining licensure in 60 days.

When kinship caregivers become licensed, the State receives federal match dollars that can be passed on to families, thereby doubling the monthly stipend to \$600 per child. The Department has begun working with a consultant, A Second Chance, to improve this process.

House Bill 2084, passed the Arizona Senate, and was signed by the Governor. It went into effect in September 2022. This bill allows the Department to waive the fingerprint clearance card requirement for kin to become licensed caregivers.



In July 2021 the Department applied for a Kinship Navigator grant, and it was awarded in January 2022. This grant provides \$331,000 to purchase tangible items to assist kinship caregivers with licensing requirements such as pool fences, car seats, diapers/wipes, grocery/gas gift cards, and more.

During SFY 2022, the Kinship Program Coordinator and Kinship Support Specialists continued to support field staff to place children with kin and maintain kinship caregiver arrangements.

KSS and KESS conduct outreach activities through phone calls, mailings, and in-person information sessions to inform kin about their role as a foster caregiver, and provide critical information on meeting the needs of the children in their care. The DCS Mercy Care Comprehensive Health Plan (CHP) continues its outreach to caregivers when children are placed in their homes, which includes assistance with appointment scheduling, follow up with specialty health care providers, referrals to other community/agency resources, and care coordination with caregivers and health providers for children/youth with special health care needs. Caregivers receive contact information so they may contact DCS Mercy Care CHP Member Services should any issues or concerns arise or simply need to know what their rights are in accessing services for the children in their care. In addition, DCS Mercy Care CHP Liaisons refer kinship caregivers directly to Kinship Support depending on their needs. During SFY 2022, CHP referred 683 Kinship Caregivers for Kinship Support.

KSS and KESS procured and delivered 1,010 items including, but not limited to, bedding, backpacks/cinch bags/luggage, beds, birthday presents, Birthday-in-a-Bag (cake mix, frosting, birthday banner, candles, pin, balloons and cake pans), books, car seats, cleaning wipes, clothes/underwear/socks/shoes, cribs, diapers, food box, hygiene bags and kits, Kinship Packet, Licensing Kit, lockbox, free tickets for entertainment activities, pool fence, pull-ups, school supplies, toys, wipes. KSS and KESS provided, referred or coordinated 1,037 services, including but not limited to, Arizona Friends of Foster Care requests, special allowances, behavioral health, billing paperwork, court hearing, daycare or afterschool care, fingerprint, foster licensing, guardianship/adoption information, housing, kinship folder, Notice to Provider, Passport, caregiver portal access, school lunch, service requests and authorizations, social security benefits and SSN requests, TANF referrals (731) and WIC referrals. Kinship support teams worked in collaboration with payment processing unit to reconcile unpaid claims for 3,309 kinship caregivers.

The Kinship Foster Care booklet and Go-To-Guide continue to be distributed and are available in English and Spanish. The booklet was revised June 2022 and provides extensive information for kinship caregivers, including DCS expectations for the care and supervision of children in DCS care, benefits and services available to children in their care, licensing process and waivers, and information about other pertinent subjects.

DCS developed standard work and a statewide screening tool to be used by the Statewide Placement Team to aide in the living arrangement decision-making process for children requiring out-of-home care. The screening tool takes many factors into account, including if a kin caregiver is available to care for the child, the child's behaviors and special needs, if the child is part of a sibling group, and if a previous out-of-home caregiver is available to care for the child. The use of this tool, and the combination of various tracking systems related to living arrangement decisions into this tool, has reduced data entry time and increased the ability to systematically identify the best living arrangement for children. DCS policy outlines the importance of diligent efforts to identify and notify all adult relatives and adults with significant relationships to the child of their option to become the living arrangement for the child in out-of-home care, within 30 days of the child's removal. DCS continues to conduct Seneca searches for relatives prior to key decision points in the case. State policy directs staff to conduct searches at least once every six months.

The Department created a Practice Guideline for assessing and supporting kinship caregivers. The Practice Guideline assists field staff through the initial assessment process to increase the number of children placed in kinship homes.

### *Community Licensing and Supports*

On September 1, 2019, a new Foster and Adoptive Supports (FAS) contract was awarded to 26 provider agencies. This contract, highlights the need for children to be placed in a family like setting. The contract has structured pay points around bed days filled, as well as the level of needs of the child. Additionally, the Family Support Plan (FSP) was introduced as a means to better support and develop foster parents to enhance their skills for potentially taking older or youth with more significant needs. The FSP also focuses on addressing placement stability by assisting contracted providers with identifying areas where families need additional supports or training.

As the Department has decided to separate the kinship licensing process from this contract it offered an opportunity to revisit learning from the past 3 years and enhance this FAS contract to ensure the best support of community families while supporting the Departments goal to increase the utilization of community family homes. The rewrite of this scope of work began in the summer of 2022 and will be solicited at the same time as the Kinship Support Services. The Department will introduce new pay points to support the contractor's operations in the initial licensing process. The scope will enhance the priorities of supporting community families before, during and after a child's placement. The Department will also be bringing the licensing regulation function of investigating licensing concerns in house. This change in work will allow the contractor to serve as an entirely supportive function to family in an effort to reduce conflict, ensure licensing regulation and support without service dual roles. This effort is expected to have positive results on retention.

In March of 2022, the Department introduced a new rate High Needs Foster Care (HNFC) and contracting solution to support children with higher needs who do not meet medical necessity. This allows more children to be served in a family setting that has a higher skill set to meet the needs of the children resulting in less children being placed in Congregate Care settings. A policy was developed to address utilization of HNFC. The assessment process is owned by the Statewide Placement Administration and addresses children entering care under significant circumstances allowing them to be placed in this therapeutic setting prior to full assessment for medical necessity being determine. The policy also allows children who are in a therapeutic setting to remain in that placement after goals have been achieved if it is in the best interest of the child and allows them to remain in a family setting.

### ***Recruitment and Retention of Foster Families***

One the major focuses from the identified initiatives was the recruitment and retention of foster families as well as supports to our kinship caregivers. The Department continued efforts on Strategic Project Plan for Caregiver Supports and Placement Array: *Every child is paired with a caregiver who receives necessary supports, and is able to meet the child's needs and support the child's permanency goal.* The Department works five main areas of focus to the plan in partnership with our provider community to ensure the best delivery of service to our children and their caregivers:

1. Improving the process around converting community interest in foster care (leads) into licensed families,
2. Exploration around retention and why families leave foster care,
3. Operational work around licensing regulation and contract design, to include new contract for Kinship Support Services
4. Process updates including the training deliver methods,
5. Placement Administration standardization and improvements

The Department continues its work with a local marketing firm to use social media platforms to raise awareness and bring attention to the need for more foster families. This includes not only targeting certain areas and demographics through imagery and social media look alike audiences but also through public relations work to highlight the needs around the State. In June of 2021, the Department launched a new website to streamline and better engage the user in navigating their journey to licensure. The design of the new website not only enhances the user experience by taking them on a step by step process, it also sends their information directly to their best matched licensing agencies to ensure timely engagement to start them on their licensing journey. The Department plans to collect data and analyze other opportunities in the recruitment pipeline on how to best engage interested members of the community and expand our licensed homes.

The Department has studied the behavior of users on the website, and has identified areas for improvement. With the help of the local marketing firm, the website will undergo updates to

ensure users are able to better navigate through the website. This improvement should help users achieve the final stage faster which is to connect them with an agency that is a good match to support the family through the licensing process.

During this reporting period, all of the Foster and Adoption Services (FAS) agencies were given the opportunity to create and submit a proposal for a recruitment plan to increase licensed foster homes and fill available licensed beds. Twenty-two agencies submitted and had approved plans; they were each provided up to \$30,000 to implement the plans for a total investment of \$659,680.

The Department announced in late April an effort to support and continue work towards increasing the number of children being cared for in a family setting and incentive-based payment. There are two new incentive payments for FAS Providers to support FAS agencies on the operations around licensing a family as well as encourage agencies to assist in transitioning children out of congregate care to a family setting. These incentives became effective beginning May 1, 2022 and will remain in place through the remainder of the current FAS contract.

The two new payment types and definitions are:

***FAS Initial Placement Incentive***

- For any newly licensed family following May 1, 2022, Agencies will receive an incentive payment of \$1,250 upon the family accepting their first placement of a DCS child in their home.
  - This incentive is a one-time payment per each new licensed family home upon the first placement received.

***FAS Transition from GH Incentive***

- A second incentive payment of \$1,000 will be awarded to the FAS agency to assist in support of stepping children down from a congregate care setting and stabilizing the child in a licensed family setting.

Any child who transitions from a congregate care home into a licensed family setting and remains in the same family home for a period of 90 days will be eligible for the incentive payment.

In 2021, the Department hired two Foster Recruitment and Retention Specialists to work with the families and contracted agencies to improve communication and outcomes. One of the two Specialists is focusing on assisting families who are going through the licensure process as well as those who are licensed and have children in their homes. The other Specialist is focused on active contract management and partnership with the contracted Foster and Adoption Support agencies. They are able to provide individualized assistance for a multitude of situations, and ensure improved customer service. Both Foster Recruitment and Retention Specialists have begun working with the Foster Home Licensing Team Leads to provide updated data directly to contracted agencies during Site Visits. Specifically, they are providing information on the agency's responses to Secret Shopper calls, completion of the Family Support Plan document, updated recruitment campaigns, caregiver use of the DCS Warmline, and the above Net New

Foster Home chart. This information is also provided in the Quarterly Provider Summary Report, so that it can be tracked and improved upon. The information is also consolidated to show the performance of the system as a whole and presented to all agencies at the provider meetings.

Additionally, the Department has restructured the Foster Supports Section to join the Recruitment team and the Foster Home Licensing team. Together, these teams have begun to collaborate and learn together to have a better understanding of the needs of caregivers throughout their foster journey. Having these two areas of the Department combined supports the ongoing efforts for the operational work that goes into licensing families while also ensuring their needs are supported to continue caring for children.

Much of this work is being done with the assistance of a team from the Children's Bureau. They meet twice per month to review goals and ensure that messaging to the Contracted Licensing Agencies is consistent and helps to further the goals of recruitment and retention.

The Department's Foster and Adoption Services (FAS) unit continues to expand and enhance recruitment efforts and activities to support prospective foster caregivers. These include efforts to improve direct engagement as well as ongoing quality improvement efforts. These include, but are not limited to:

#### Recruitment

- Using social media platforms to target like audiences;
- Using imagery and videos to message the needs in foster caregivers;
- Target advertisements to certain demographics;
- Match the Quick Connect demographics; and
- Study what imagery/language performs well to generate leads.

#### Continuous Improvement

- Secret shoppers calls to help improve staff engagement;
- Timely follow up with constant connections with interested caregivers (e.g. partner with community stakeholders such as AZ127 to support orientation sessions);
- Increase conversion leads to licensed families; and
- Working on better data where the leads are lost.

#### Supporting Foster Caregivers

- Identify opportunities for better communication;
- Understanding the foster caregivers role as members of the team;
- Use of special rates to support needs of children; and
- Increase respite hours for all caregivers

The Department launched a new foster caregiver orientation website in June 2021. There has been a 42 percent increase in prospective caregivers from February 2022 (382) through June 2022 (562).

The Office of Licensing and Regulation (OLR) has identified operational practices to help target areas that will improve recruitment. To develop and enhance data that will help better inform these efforts and develop effective continuous improvement efforts, OLR is examining:

- Analyzing how many leads go to which agencies each month
- Conducting Secret Shopper calls for agencies that consistently perform well to identify improved processes
- Evaluation of youth placed in licensed beds by agency
- Evaluation of placement disruption of youth by agency
- Analyze the net gain/loss of foster caregivers by Agency
- Analyze the longevity of licensed foster caregivers by Agency

Additionally, DCS / OLR is building out Active Contract Management (ACM) processes, which include:

- A partnership with the Capacity Building: Center for States.
- Building a framework for monitoring fidelity & compliance to contract requirements.
- Enhance provider engagement and partnership to support better outcomes for children and families.

Our work with Center for States has resulted in a clearer presentation of data to the contracted licensing agencies at the Quarterly Provider Meetings. Additional data to show feedback from the agencies has been collected via a survey completed at the conclusion of the Quarterly Provider Meetings. Feedback is positive, with agencies reporting they feel their concerns are being heard, and they have a more significant feeling of collaboration with the Department. This is important to the relationship building and connectivity between the contractors and the Department to support ongoing collaboration and problem solving. The better the Department and contractors work together consistently will result in an overall better customer service experience for families.

In late 2017, the Recruitment and Retention projects began and part of these efforts led to the development of the Recruitment Estimator tool to help project the need for homes in each county of the state. The Recruitment Estimator examines the number of children currently in care by county, age, race, and specialized level of need. Both reports are shared with the contracted foster licensing agencies.

The information provided in the Recruitment Estimator report outlines the need for homes based on many factors, one being race. This helps drive recruitment efforts to provide homes that can reflect the racial makeup of the children in care as well as ensure homes that are culturally aware

of the needs of the children. The most recent estimator completed in May 2020 outlines the needs for homes based on the breakdown of different subpopulations; age of youth, sibling groups, ethnicity and specialized needs (i.e. therapeutic foster care, child development homes, and medically complex). The greatest area of need were homes for youth age 13 to 17 years. However, a significant demand for homes able to care for children with medically complex issues exist.

Since the implementation of the Guardian database, the Department has identified that there are data integrity needs when compiling the Recruitment Estimator. In order to provide the most accurate information while these needs are addressed, the Department utilizes the Quick Connect system to monitor active licenses, initial applications, and license closures. This information provides insight towards understanding the county and statewide needs for foster caregivers. Additionally, the Department utilizes this information to track the net new foster caregivers who become licensed each month, with a goal of issuing enough new licenses to make up for the amount of homes that are closed, if not more.

The Department also utilizes a census reporting form for group homes and shelters to monitor the number and characteristics of children in congregate care placements. This information is used to further project potential recruitment opportunities so foster families are recruited to match the needs of the foster care population. The census reports include information on every child placed in each facility, as well as any information related to special populations in which the facility specializes. The two centralized DCS Welcome Centers under the Statewide Placement Administration (SPA) continue to utilize this information to identify family foster homes for the children. During SFY 2022, 37 children were moved out of congregate care settings to family like settings such as licensed foster homes and unlicensed kinship homes. One child reunified with their family during this time. Additionally, this information is used to provide assistance with locating potential adoptive homes for the children in congregate care with a case plan of adoption.

Kinship caregivers, licensed foster parents, community resource providers, and others will continue to have the option to call a toll free line, the DCS Warm Line, which is staffed by two members of the Department, one of whom is bilingual, who can answer or research their inquiries. The Warm Line receives approximately 200 calls per week, with needs ranging from families asking for assistance with completing forms or needs for resources. Calls to this line are answered Monday through Friday, 8:00 a.m. to 5:00 p.m., and all voicemails receive a response by the next business day. The Department responds to 100 percent of the voicemails that are left outside of business hours. During the initial stages of the COVID-19 pandemic, the Warmline staff assisted families in obtaining approvals for virtual visitation for those who were sick or exposed to a COVID-19 positive individual, as well as those in high-risk categories.

The Department continues to utilize a marketing firm, LaneTerralever (LT), which targeted marketing on social media. Individual who were identified on social media as falling into specific categories saw these advertisements more frequently, such as the lesbian, gay, bisexual,

transgender and queer (LGBTQ) community, retirees, and young professionals. Additionally, the Department and LT created a video advertisement featuring a young woman named Faith, who was adopted twice, and is now involved in the Department's Young Adult Program. Faith spoke about her experiences in the video, and detailed the need for caring adults to foster children in care. The video was extremely successful, and was viewed approximately 200,000 times in the first month that it was posted on social media. An example of how we monitor the success of a campaign is shown below. This is how the Department monitors an individual's interaction with the campaigns to drive leads.

*The Foster Effect*, a marketing campaign, was launched in April 2022. By June 2022, it generated just over 1,329 leads via English and Spanish advertisements on Facebook and Instagram. This campaign features a two-minute video of a foster family who believes they are going to be participating in a focus group for DCS. They are instead shown a video of the children who they have fostered, speaking about the effect this family has had on their lives. At the end of the video, many of the youth, now adults, enter the room and surprise them. Due to its previous success, the *Light Up A Life* campaign was relaunched in the Fall 2021. Five billboards were placed throughout the Phoenix area, and received an estimated 3,099,185 impressions from November 29, 2021 to January 9, 2022. Radio public service announcements were also utilized for a total of 764,000 impressions. Facebook advertisements were used and provided a Click Through Rate (CTR) average of 3.99%. TikTok was utilized as well, and provided a 0.82% CTR. Specific phrases on Google were targeted, such as "foster care Arizona," and "foster care license," and this targeting resulted in an 11.97% CTR. Additionally, Spotify advertisements produced a 0.16% CTR. Per the DCS contracted marketing agency, 0.08% is the average CTR for advertisements.

The Department has a goal to recruit more foster families with an increased understanding that the children they foster are likely to return to their biological families, as the Department understands the importance of foster families working positively with biological families for the betterment of the children. In March 2020, the Department launched a Shared Parenting Journal to be used as a tool to initiate positive and healthy communication between biological families and foster families. This journal has space for biological parents to share their child's bedtime routine, as well as space for foster parents to update biological parents on milestones that their children experience (first day of 2<sup>nd</sup> grade, a loose tooth, etc.).

***Partnership with AHCCCS to improve Utilization of Therapeutic Foster Care***

Over the last two years, DCS has been working both collaboratively and strategically with Arizona Health Care Cost Containment System (AHCCCS), the Arizona Chapter of the Family Focused Treatment Association (AZ FFTA), the provider community, and other key stakeholders to make improvements in the TFC placement area through a project plan (see attached) with the Center for Health Care Strategies (CHCS). Our approach is to standardize TFC placements in four phases. Phases are as follows:



Phase 1- Make key state level decisions that will influence future steps in the process to reform TFC. This phase includes standardization in policy, program oversight, clarification in roles, and standardization of terminology between AHCCCS, DCS and the provider community.

Phase 2- Evaluate and update AHCCCS, DCS, and MCO policies and procedures based on new TFC policy.

Phase 3- Address the payment structure in light of new state-level policy, and finalize training expectations.

Phase 4- Establish a process to evaluate and monitor the supply and demand of TFC beds.

To date, DCS has completed Phase 1 of the plan by making key state level decisions that will influence future steps in the process to reform TFC. During this phase, the Department revised terminology, drafted policy, evaluated and is now tracking shared parenting, and created the framework for future training development.

For phase 2, DCS developed the preservice and ongoing training requirements for TFC parents and TFC staff. The policy of the AZ TFC Committee has been completed and provided to AHCCCS who will in turn integrate key information into policy with supporting detail. After doing so, AHCCCS then opened the newly revised policy for public comment. DCS also published its policy on newly developed criteria for DCS funded TFC as well as mapping the placement process decision for medically necessary and non-medically necessary TFC.

For phase 3, AHCCCS and DCS developed initial criteria for increased Therapeutic Foster Care (TFC) rate. These criteria are intended to be a starting point for introduction of a tiered rate structure with the provider community in an effort to increase the utilization of TFC. It was the intention of AHCCCS and DCS to make this rate structure active October 1, 2021 with AHCCCS policy modifications to be made following implementation. Delayed policy revision is specific to the desire to ensure the details are resolved and preempting subsequent amendments. Following successful implementation, AHCCCS and DCS will further evaluate considerations for future modification.

Complementary to this tiered rate, DCS met with the Arizona Family Focused Treatment Association (AZ FFTA) and its members in February 2021 to develop a Non-Medically Necessary TFC rate structure that supports TFC placements absent “medical necessity” determinations for youth in, or otherwise subject to placement in, congregate care settings.

There were three proposed tiered rates contemplated:

- Pediatric Member with significant behavioral health needs and co-occurring substantial cognitive impairment – short term tiered rate
- Pediatric Member with significant behavioral health needs and co-occurring substantial cognitive impairment – recurring tiered rate
- Adolescent Member with Primary Psychotic Condition

This structure includes a time limited step-down rate for youth exiting Medically Necessary TFC and a traditional non-medically necessary TFC rate.

For Phase 4, DCS include the need for TFC caregivers in its Recruitment Estimator tool. Additionally, DCS now reports on total TFC caregiver licenses and bed capacity. To enhance this, DCS meets regularly with Mercy Care to share and analyze data on the utilization of TFC caregivers, bed capacity, and data relevant to the prior authorization and timeliness of placement of medically necessary TFC placements.

The Department has been meeting monthly with selected members of the FFTA and CHP Mercy Care to discuss recruitment efforts. A unique landing page has been created. In addition, the agencies have been holding information sessions that have been advertised in both the Behavioral Health community, as well as inviting the foster caregiver community to learn about Therapeutic Foster Care and consider increasing their skills set to serve that population of children.

### ***Training Enhancements***

Prior to the onset of the pandemic, the Department was working with licensing agencies to improve the Arizona Families Thrive conferences hosted by the Department. The Department was hosting three conferences each year with help from AZ 1.27 and the #LoveUp Foundation. The Department continues to grow these partnerships to ensure success and growth of AZ Families Thrive. The Department's goal is that these events are tailored to ensure more foster families are given trainings to assist in mitigating disruptions and preventing license closures. The Department intends to utilize information from Family Support Plans to give direction as to the best topics for keynote speakers and workshops.

Training enhancements are being implemented for Therapeutic Foster Care (TFC) as well as standardization of ongoing training for foster families and a portion of congregate care. In SFY 2021, the contract to create enhanced training for TFC providers was awarded. In August 2021 the Business Administration Training Unit was combined with Learning and Development the Departments Statewide Training for primarily DCS Field Operations and tracking for all DCS employees. This effort will streamline the training and make for a more consistent delivery model across caregivers and specialists for consistency in messaging and an overall better understanding of our systems. As part of this restructuring, L&D took the lead on the redevelopment of the

Therapeutic Foster Training. The curriculum redesign was done by an independent contractor Crestline and L&D through partnership with Therapeutic Foster Trainers, a pilot was conducted in May of 2022 with success and has been fully implemented statewide.

With the addition of the new contracted solutions for kinship and community families the Department intends to take over the training for community families receiving Foster Parent College. This will result in consistent learning for our families statewide. Through our partnership with ASCI the Department is also working on the development of a kinship specific training that will support the needs of kin families specifically those who already have children in their homes.

### ***Rate Structure Alterations***

The Department is also focusing on improving the decision-making and policy around rate structure in foster care. Children in care who have higher needs should receive the appropriate rate, which allows the family with whom they are placed to receive increased supports through the FAS contract. This project analyzed causes of disruptions as well as researching mitigating factors, such as increased supports to the families. In addition, a new rate has been introduced to provide for parenting teens, in an effort to transition more parenting teens from congregate care to a family like setting. These rates acknowledge the need to support both the parent and infant child. In addition, the Department created an incentive pay point to assist Congregate Care Providers who assist in transitioning children to a less restrictive environment and stabilize for a period of 90 days. The FAS and Congregate Care providers are encouraged to collaborate and work together to assist with matching the needs of the children to the skill of caregiver and ensuring a smooth transition.

With these improvements, the Department continues to engage the provider community to assist in supporting families to meet the needs of children. There are system checks, which have been created to monitor the stability of placements, as well as the distribution of rate structures across the placement array.

### ***Placement Decision-Making Process***

In addition to these improvements, there are measures in place to standardize placement decisions as well as assess the readiness of children to move from congregate care to a family like setting. In the fall of 2021, a Caregiver Assessment Tool was developed and updated in SFY 2022 to better ensure the most appropriate family-like setting placement whenever possible. SPA utilizes this tool to ensure a child is determined to be most appropriate for a family like setting before any other placement type is decided. The tool guides the decision making process to review relevant records, consider the input of the Child and Family Team, consider prior placements, sibling group situation, and identified unique needs of a youth. This tool will also help ensure the decisions to place in a Qualified Residential Treatment Program (QRTP) are made in alignment with the requirements of the FFPSA.

In April 2022, a Kaizen event was held to ensure there is a standard and consistent decision making around placement in kinship family homes. The Kaizen group created various guides to evaluate the appropriateness of a kinship caregiver who may have a history of involvement with CPS/DCS or criminal activity as well as creating an elevation path for placement decisions for kin who fall into these categories. The guides were piloted two DCS sections initially and now are being piloted in five sections across the State. The pilot sites have reported positive impacts and have been able to safely place children with kinship caregivers after engaging in meaningful discussions using the guides created. Upon full implementation statewide, the work completed by this pilot will help inform the policy and procedures to be utilized by the Office of Licensing and Regulation for licensing decisions and use of kinship waivers when necessary.

Placement decisions for licensed caregiver homes and congregate care are made through the SPA, which works in collaboration with the licensing department and foster care supports department. There are weekly monitoring calls to assess how many children are ready for transition and identified families.

The Department first places efforts on placing in kinship family homes where ideally sibling groups can be placed together. Should a kinship home not be identified by DCS Specialists, the SPA seeks to place children in alternative foster family home settings. Placement Coordinators review the child's placement history to ascertain whether "Jacob's Law" applies, and make every effort to place children back into previous foster homes in which they formerly resided. If there is no prior placement history and a foster home is not readily identified due to availability and preference limitations, then alternative congregate care settings are explored.

While exploring the above placement options, the child's age, level of need, size of sibling set, and school of origin are paramount factors in the decision making process. All efforts are made to keep children in the least restrictive environment, with siblings, and placed as near to their school of origin as is feasible.

In regards to congregate care needs, the Department has worked to assist providers to obtain a QRTP accreditation in order to provide trauma informed care and appropriate transition planning back into a family-like-setting that can support ongoing treatment needs of the child. As of October 2021, there were fourteen (14) congregate care providers who sought and achieved their accreditation status and thirteen (13) additional providers had pending accreditation status. The Department is working with them on the next steps to finalize them as a QRTP licensed provider. Information on the assistance provided to aid providers to become QRTP accredited is provided in the next section.

Further, during SFY2022, the Department created a policy and established procedures to utilize therapeutic foster care services for youth for non-medically necessary placements. Youth who exhibit significant behavioral and emotional problems, even if they do not meet the criteria for

medical necessity, should have the opportunity to receive therapeutic foster care (TFC) services when appropriate, especially when they enter care because of severe trauma. The Department conducts regular quality reviews of TFC, including but not limited to the efficacy of treatment services, bed capacity, lengths of stay, licensing requirements, training standards, alignment with Arizona's 12 principles, and other factors. By introducing this policy, the Department can better ensure placement stability for youth determined no longer meeting medical necessity through Title XIX. It also eliminates barriers to access to this service when youth display behavioral needs but do not quite meet the criteria for medical necessity.

### **Summary of Enhancements to the DCS Foster Care Placement Array**

The Department has been making diligent efforts to expand its array of placement options for children and youth in its care. DCS has been utilizing data driven practices to determine what types of foster homes are most needed as well as trying to anticipate future needs to keep up with the expected loss of homes due to anticipated reasons (e.g. adoption by a foster parent, changes in residency, changes in family situations such as a death in the family or new job). Campaign ads are designed to target families who may be best suited to care for the unique needs of the children in DCS custody as well as meeting the cultural and social make up of these children.

The Department restructured its contract with foster home licensing agencies to ensure that it incentivizes the placement of children in foster homes rather than just licensing a foster home. It also places more requirements for agencies to work closely with families to ensure they are supporting caregivers to maintain placements and avoid disruptions. Contracts also now hold agencies more accountable to provide better outcomes for children in their homes rather than only addressing licensing issues at the front end.

One of the key improvements has been standardizing placement decision-making across the state. Previously, this was handled at the DCS Regional level and individually by DCS Specialists, which allowed for inconsistencies. With the creation of the Statewide Placement Administration, dedicated staff who are knowledgeable of the resources available and where a centralized repository of caregiver options are available, means children can be placed quicker and with caregivers most appropriate to meet their needs. This placement unit also reviews requests for placement in congregate care to ensure a thorough check for relative placements is made and there are absolutely no other alternatives available before placing in a group home setting. These efforts have helped the Department during 2021 leading up to October 1, 2021 when it implemented the requirements of the FFPSA.

## EFFORTS TO DEVELOP QUALIFIED RESIDENTIAL TREATMENT PROGRAMS

### *Contract Development of Cohorts*

On April 1, 2019, the Congregate Care contract awarded 87 providers. The contract highlights many areas in preparation for the Families First Act. In this contract, providers were able to bid on cohorts that address specific needs of children in foster care. There were six (6) cohorts identified: Standard (which includes LGBTQ youth and parenting teens), Structured, Medically Fragile, Pregnant/Parenting Teens, Significant Trauma (which includes youth know to be sex trafficked), and Sexually Maladaptive. Table 2, shows the projection of QRTP beds needed and the progress made towards achieving that capacity.

Table 2

	Contracted	Pending QRTP Certification	QRTP Bed Demand	Net Supply
Total Contracted Providers	15	10	n/a	n/a
Total Contracted QRTP Beds	637	124	675	-70
Total Contracted QRTP – Structured	260	10	250	0
Total Contracted QRTP - Significant Trauma	315	104	325	-32
Total Contracted QRTP – SMB	62	10	100	-38

\*data as of October 2022

In addition to identifying these cohorts, the Department introduced an incentive pay point, which assists with transitioning and stabilizing children from out of home care into a family like setting. As of June 30, 2022, 1,558 incentive payments have been issued to providers who supported the transition and stabilization of youth into a family like setting for a period of greater than 90 days.

After the two major contracts, congregate care (i.e. group home) and Foster Adoptive Services (FAS) (i.e. foster home licensing and supervision) were awarded, the Department turned its focus toward improving the placement array and creating a standardized system in decision-making as it relates to the placement of children. Table 1 shows the number of paid incentives by state fiscal year.

Table 1

<b>FAS Initial Placement &amp; Group Home Placement Stabilization Incentive</b>				
SFY19 Total	SFY20 Total	SFY21 Total	SFY22 Total	Total through June 30, 2022
2	584	504	468	1,558

***Grant to Support Initial Program Development***

In order to achieve the above goal, on September 11, 2019, DCS awarded nearly \$1.5 million in grants to expand services for children and families by developing Qualified Residential Treatment Providers (QRTP). As Arizona's state administering agency for child welfare services, the Department worked with providers and stakeholders to advance its current array of congregate care services.

A requirement in receiving award funding, mandated that service providers engage with the Department and each other in a collaborative process to include outlining a plan to carry out the priorities of the FFPSA, which will build and enhance healthy residential program models that promote positive outcomes for children and families.

Requirements under the new federal criteria for Qualified Residential Treatment Program placements include:

- Having a trauma-informed treatment model
- Having registered or licensed nursing staff available 24/7
- Facilitating the participation of family members
- Providing aftercare for 6 months post-discharge. Discharge planning may be provided by an organization other than the QRTP provider.
- Maintain licensing and accreditation by one of the major accreditation organizations (CARF, JCAHO, COA, etc.)

Awardees of the \$1,443,796 funding focus on programs that provide therapeutic services for traumas (including significant trauma), sex-trafficked youth, behavioral health, gender identity, and sanctuary trauma-informed care.

In addition to monetary support, the Department has provided technical assistance, capacity building, and implementation support through ongoing collaboration with goals of meeting critical elements for federal recognition as QRTPs, enhancing services through models that may be replicated within the State, and further improving outcomes for Arizona's children and families.

In SFY 2022, the Department continued our partnership with congregate care providers to increase their skills to become Qualified Residential Treatment Providers. The Department is committed to continually improving the quality of care and service provided to children and youth while in foster care. As a result, over the past year DCS has been working with congregate caregivers to become QRTP and develop a QRTP policy to meet the unique needs of Arizona's children.

On January 26, 2021, in support of quality improvement as well as efforts to prepare for FFPSA, the Department announced an agreement to cover direct application and survey site costs paid to COA, CARF or Joint Commission for standard accreditation that meets DCS QRTP Policy. In exchange for covering accreditation expense, the Department's only request was through achieving the accreditation standards that care and service to children and youth continually improve.

This offer resulted in many more congregate care agencies pursuing an accreditation and working towards a QRTP certification to better meet the needs of children in out of home care. As of October 2022, the Department currently has fifteen contracted QRTP providers, with an additional ten providers working through the accreditation process to pursue QRTP.

The Department anticipates the expansion of services for youth in need of qualified residential placement will lead to higher quality services, increased permanency in family-like settings, and outcomes that are more positive.

### **Reduction of Youth Placed for More Than Two Weeks in Congregate Care**

As previously noted, the Department delayed implementation of FFPSA, including placement of youth in QRTP settings, to October 1, 2021. Therefore, cogent data on its impact to reduce youth in congregate care (CC) for more than two weeks is not available. However, the Department has reviewed data for all youth who were in out-of-home (OOH) at any time during SFY 2021. For these youth, DCS examined how many were placed in a congregate care setting for more than 14 days during any episode in congregate care. Chart 3 displays this data as a total count of unique children in OOH care for any episode they experienced in CC during SFY21.

**Chart 3**

<b>Metric</b>	<b>SFY21</b>	<b>SFY22</b>
Unique count of children who were in OOH at any time during fiscal year	21,815	20,642
Total count of CC episodes for children in OOH during fiscal year	7,333	5,554
Percent of CC episodes for children in OOH during fiscal year	34%	27%
Total count of CC episodes more than 14 days for children in OOH during fiscal year	4,977	4,898
Percent of CC episodes lasting more than 14 days for children in OOH during fiscal year	23%	24%
Of total count of Congregate Care episodes, percent of CC episodes more than 14 days	68%	88%

### **Summary of QRTPs**

Under FFPSA, states will not be able to use Title IV-E funds for group homes beyond two weeks unless the child or youth is in a QRTP (*a facility that specializes in prenatal or parenting support, or supervises independent living for youth over 18*). Family First specifically defines QRTPs as having a higher standard than current group home requirements (e.g. they must have a registered or licensed nursing staff or other clinical staff available 24 hours and 7 days a week). The



Department worked to ensure many group homes licensed by DCS will be able to provide services specific to youth who have needs in six different areas (cohorts). The Department's contract with group home providers is structured so they may develop their programs to address one of these six cohorts.

FFPSA requires states to demonstrate that when youth are in group home care longer than two weeks there is an acceptable reason. If the child is placed in a QRTP, an assessment must be made within 30 days of placement, which, among other things, will determine if the child's needs can or cannot be met with family members or in a licensed foster home. Additionally, there are requirements of judicial oversight for placement in QRTP. DCS worked with the court and legal community to develop court rules and motions for review and approval of children and youth placed in QRTP settings.

This portion of Family First puts significant requirements on states to make diligent efforts to avoid the use of congregate care whenever possible and to remain diligent in continually assessing a child's needs so that they do not linger in group home care beyond what is needed.