

# **SUBCOMMITTEE #3: Health & Human Services**

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**Chair, Senator Holly J. Mitchell**

**Senator Jeff Stone, Pharm. D.  
Senator William W. Monning**



**April 9, 2015  
9:30 a.m. or Upon Adjournment of Session  
Room 4203**

Consultant: Samantha Lui and Michelle Baass

## **Part B**

<b><u>Item</u></b>	<b><u>Department</u></b>	<b><u>Page</u></b>
<b>5180</b>	<b>Department of Social Services – Child Welfare Services</b>	
	1. Program Overview	3
<b>4260</b>	<b>Department of Health Care Services</b>	
<b>5180</b>	<b>Department of Social Services – Child Welfare Services</b>	
	1. Oversight: Out-of-County Placements	9
	2. Oversight: <i>Katie A.</i> /Child Welfare and Mental Health Coordination and Monitoring	11
	3. Oversight: Psychotropic Medications	13
<b>5180</b>	<b>Department of Social Services – Child Welfare Services</b>	
	1. Continuum of Care Reform	16
	2. Trailer Bill [602]: Approved Relative Caregiver Funding Options Program Clean-Up	19
	3. Trailer Bill [608]: Child Near Fatality Public Disclosure	21
	4. BCP #50: Assembly Bill 1978 Child Welfare Social Worker Empowerment and Foster Child Protection Act	26
	5. Interagency Child Abuse and Neglect Reporting (ICAN)	27
	6. BCP #83: Implementing Child Victims of Human Trafficking	29
	7. Proposals for Investment	30

**PLEASE NOTE:** Only those items contained in this agenda will be discussed at this hearing. Please see the Senate Daily File for dates and times of subsequent hearings. Issues will be discussed in the order noted in the Agenda unless otherwise directed by the Chair. Pursuant to the Americans with Disabilities Act, individuals who, because of a disability, need special assistance to attend or participate in a Senate Committee hearing, or in connection with other Senate services, may request assistance at the Senate Rules Committee, 1020 N Street, Suite 255 or by calling 916-651-1505. Requests should be made one week in advance whenever possible. Thank you.

**5180 Department of Social Services – Child Welfare Services (CWS)****1. Overview**

The CWS system includes child abuse prevention, emergency response to allegations of abuse and neglect, supports for family maintenance and reunification, and out-of-home foster care. The total proposed budget for the realigned CWS and Adoptions programs is \$5.1 billion (\$2.4 billion federal funds, \$1.6 billion 2011 realignment funds, and \$1.1 billion county funds). In general, around half of child welfare funds support counties to administer or provide the programs; and half support payments to care providers.

The core of child welfare services (CWS) is made up of four components:

- **Emergency Response:** Investigations of cases where there is sufficient evidence to suspect that a child is being abused or neglected.
- **Family Maintenance:** A child remains in the home, and social workers provide services to prevent or remedy abuse or neglect.
- **Family Reunification:** A child is placed in foster care, and services are provided to the family with the goal of ultimately returning the child to the home.
- **Other Placements:** provides permanency services to a child who is unable to return home and offers an alternative family structure, such as legal guardianship or independent living.

**Caseload trends.**<sup>1</sup> In 2000, there were approximately 107,998 children in foster care in California. In 2013, the figure dropped to around 53,112 children, not including children under probation department supervision who reside in foster care placements. The department attributes part of the caseload decline to prevention efforts for out-of-home care and back-end efforts for permanency placements.

**Demographics of children in foster care.** Research documents how children and youth, who experience foster care and those who emancipate from care, are at risk for challenges related to education, health, and mental health. As of January 1, 2015, of the 66,969 children currently in care, around forty percent have been in care less than a year; around 23 percent have been in care for nearly two years; and roughly fifteen percent have been in care for longer than five years.

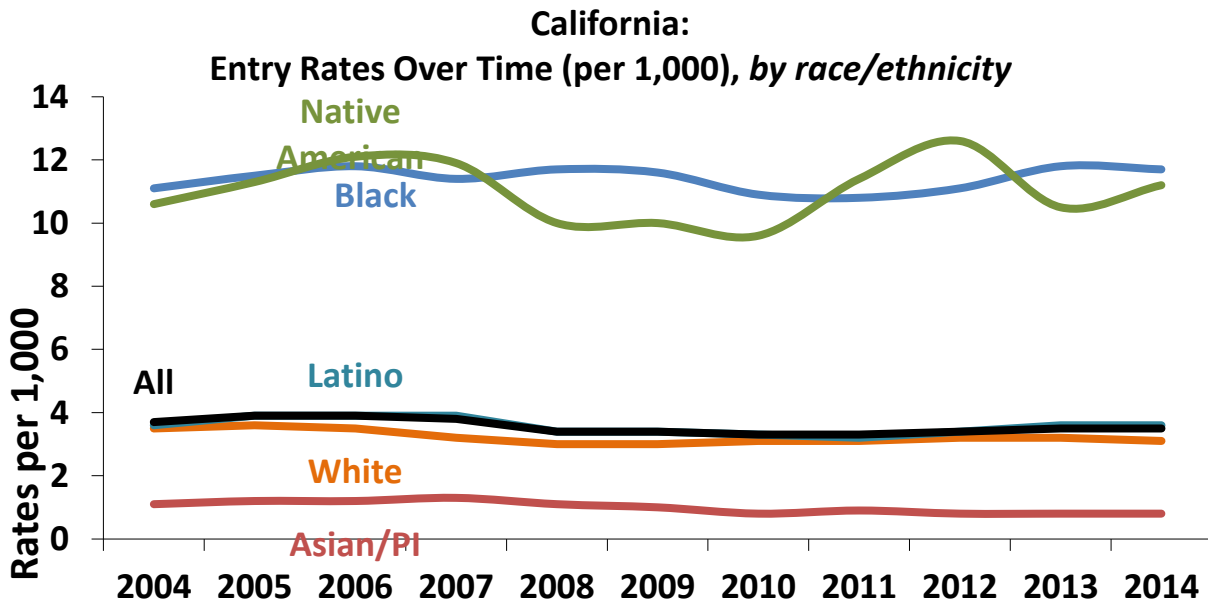
The following table, based on October 2014 data, displays the percentage of ethnic or racial representation of a child in foster care by placement type.

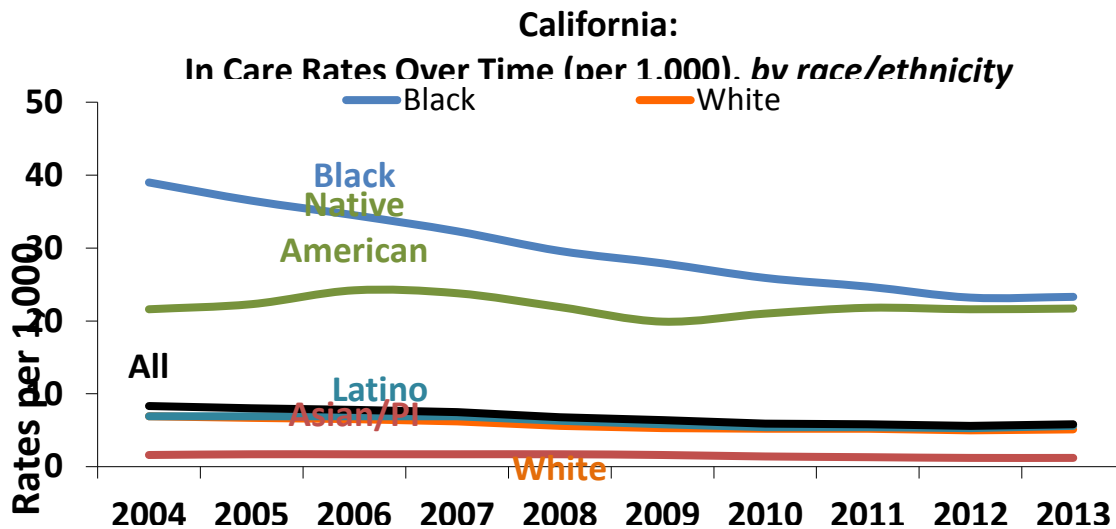
Placement Type	Black	White	Latino	Asian/Pacific Islander	Native American
Pre-Adopt	20.4	22.3	54.8	1.7	0.8
Kinship	19.9	21.5	55.1	2.0	1.5
Foster Home	21.8	27.5	47	2.6	1

<sup>1</sup> Needell, B., Webster, D., Armijo, M., Lee, S., Dawson, W., Magruder, J., Exel, M., Cuccaro-Alamin, S., Putnam-Hornstein, E., King, B., Morris, Z., Sandoval, A., Yee, H., Mason, F., Benton, C., & Pixton, E. (2015). *CCWIP reports*. Retrieved 4/5/2015, from University of California at Berkeley California Child Welfare Indicators Project website. URL: <[http://cssr.berkeley.edu/ucb\\_childwelfare](http://cssr.berkeley.edu/ucb_childwelfare)>

<b>FFA</b>	18.1	24.2	54.7	2.1	0.9
<b>Court Specified</b>	22.4	28.1	44.6	3.4	1.5
<b>Group Home</b>	28.9	23.9	44.1	2.0	1
<b>Shelter</b>	12.9	37.9	45.7	1.4	2.1
<b>Non-FC</b>	33.7	23.8	39.5	1.9	1.1
<b>Transitional Housing</b>	37	25.7	33.7	2.5	1
<b>Guardian Dependent</b>	40.8	14.2	42.2	1.6	1.2
<b>Guardian Other</b>	30.9	25.2	38.5	2.7	2.7
<b>Runaway</b>	26.8	18.7	51.8	1.5	1.1
<b>Trial Home Visit</b>	18.3	23.4	53.6	4.4	0.3
<b>Supervised Independent Living Placement</b>	26.7	22.8	45.4	3.8	1.2
<b>Other</b>	25.1	23.1	46.7	2.6	2.5

The following graphs display the entry rates over time and in-care rates by a child’s race or ethnicity.





**Placement options.** There are four major temporary placement types — kinship care, foster family home (FFH), foster family agency (FFA), or group home:

- Kinship care refers to when a foster child is placed with a relative for care and supervision, known as the least restrictive and most family-like option (45 percent of children in foster care are placed with kin).
- Foster family homes (FFHs) are licensed residences that provide for care up to six children (represents about 11 percent of children in foster care).
- Foster family agencies (FFAs) are private, nonprofit corporations intended to provide treatment and certify placement homes for children with higher level treatment needs (around 30 percent of children in foster care).
- Group homes (GH) are licensed to provide 24-hour non-medical residential care in a group setting to foster youth from both the dependency and delinquency jurisdictions (about 13 percent of children in foster care).

**Placement costs.** Group home placements constitute 13 percent of foster care placement and represent nearly 46 percent of total foster care costs. Group home rates are based on the level of care and services provided, ranging from \$2,332 to \$9,879 per month.

**Table 1: 2015-16 Governor’s Budget: Average Monthly Grants**

Group Home	\$8,300
Foster Family Agency <sup>2</sup>	\$2,075
Adoption Assistance	\$972
Foster Family Home	\$916
Federal Guardian Assistance	\$790
Kinship Guardian Assistance	\$751

<sup>2</sup> Includes four components: the basic rate, the child increment (both for care and supervision), the administration rate, and the social worker rate.

**Length of stay.** According to the department's 2014 CWS Realignment Report, for the largest age group category, 13-17 years old, of the 4,737 children, the majority (45 percent) move out of group home placements in less than 12 months, longer stays (12-36 or more months) comprise the remaining 55 percent (2,619). From 2009 to 2013, the total number of children and youth placed in group homes for the same population dropped from 7,033 to 6,188. DSS estimates that more than two-thirds of children placed in group homes remain there longer for two years. Specifically, around 3,000 children and youth are in group homes for more than one year; of these, 1,000 have been in group home for more than five years.

**Licensing and regulations.** The Community Care Licensing Division licenses facilities, including foster family homes, foster family agencies (who, in turn, certify individual foster families), and group homes. All facilities must meet minimum licensing standards, as specified in California's Health and Safety Code and Title 22 Regulations. Among those requirements, group homes must provide youth with direct care and supervision, daily planned activities, food, shelter, transportation to medical appointments and school, and at least a monthly consultation and assessment by the group home's social worker and mental health professional, if necessary, for each child. Ultimately, DSS must visit all facilities at least once every five years, which is less frequent than required in most states. In addition, there is a "trigger" by which annually required inspections increase if citations increase by 10 percent from one year to the next. The Governor's budget includes \$3 million General Fund and staff to address a backlog of complaint cases and to expand training and technical assistance. The budget also provides a plan for how CCL intends to increase inspection frequency over three years.

**Performance measures and accountability.** The federal Administration for Children and Families (ACF) conducts Child & Family Services Reviews (CFSRs) of states' child welfare systems, which include measures of outcomes related to the safety, permanency, and well-being experienced by children and families served. ACF performed its most recent CFSR in California in 2008. The state did not achieve substantial conformity (compliance in 95 percent of cases) with any outcome measures, but did achieve substantial conformity with three of seven systemic factors. According to ACF, challenges included: high caseloads and turnover of social workers; insufficient foster homes; a lack of caregiver support and training; and, a lack of needed services (e.g., mental health and substance abuse). In response, DSS developed a Program Improvement Plan (PIP). The department indicates that the state has now met all of the PIP targets and been released from any potential penalties resulting from the 2008 review.

The Child Welfare System Improvement and Accountability Act also created a statewide accountability system that became effective in 2004. It includes 14 performance indicators monitored at the county-specific level and a process for counties to develop System Improvement Plans (SIPs).

**Realignment.** The 2011 public safety realignment and subsequent related legislation realigned child welfare services and adoptions programs to the counties, transferring nonfederal funding responsibility for foster care to the counties. In addition, over the last several years, the state increased monthly care and supervision rates paid to group homes, foster family homes, and foster family agency-certified homes, as a result of litigation. The 2011 realignment funding reflects state GF costs for the following programs, which may also receive other matching funds.

Prior to the 2011 realignment, DSS estimated the costs associated with meeting federal and state requirements for the estimated numbers of children and families to be served as part of the annual budget process. Under the 2011 realignment, the total funding for CWS is instead determined by the

amount available from designated funding sources (a specified percent of the state sales and use tax and established growth allocations) that are directed to the counties and corresponding matching funds. Both before and after realignment, certain CWS expenditures, including payment rates for care providers that are statutorily established, are provided on an entitlement basis.

Trailer bill provisions in 2012-13 additionally established programmatic flexibility that allows counties, through action by boards of supervisors after publicly-noticed discussion, to discontinue some programs or services that were previously funded with only General Fund, including, clothing allowance and specialized care increments added to provider rates and Kinship Support Services programs.

**Roles of the state and counties.** DSS is responsible for oversight, statewide policy and regulation development, technical assistance, and ensuring federal compliance. Prior to realignment, the state was also at risk for the full costs of any federally imposed penalties stemming from federal Child and Family Service Reviews. Under realignment, counties, whose performance contributed to an applicable penalty, must pay a share of the penalty if realignment revenues were adequate to fully fund the 2011 base, and if they did not spend a minimum amount of allocated funding on CWS.

**Required reporting on realignment.** Pursuant to SB 1013 (Budget and Fiscal Review Committee), Chapter 35, Statutes of 2012, DSS must report annually to the Legislature on April 15 outcome and expenditure data, as well as impacts of CWS and APS program realignment. Reports must also be posted on the department's website. The 2014 Child Welfare Services Realignment Report<sup>3</sup> found the following:

- Data for immediate and ten-day responses for child investigations is used to assess performance for state and federal standards and for monitoring. Immediate response referrals receive a timely response above 97 percent between 2009 and 2013, while ten-day response referrals have been hovering above 91 percent during the same time period.
- Placement stability, defined as the percentage of children who have been in foster care at least eight days and less than 12 months, and who have had no more than two placements, has improved from 84.9 percent in 2008 to 87.6 percent in 2013. The national standard is 86 percent.
- Since 2009, the percentage of children for whom their first placement is with kin has increased from 16 percent to 24 percent, while the proportion of children placed in group homes from 2009 to 2013 has decreased from 18 percent to 13 percent. Over the past four years, Foster Family Agencies (FFAs) have accounted for approximately 40 percent of initial placements.
- For children entering care between 2008 and 2012, there has been a moderate decrease in the proportion of children who reunified within 12 months from 43.5 percent in 2008 to 38 percent in 2012. The proportion of children re-entering foster care within a year has increased from 11.1 percent in 2008 to 12.7 percent in 2012.

**Recent policy and budget actions.** Several policies and budget actions lay the groundwork for child welfare reform, including:

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<sup>3</sup> The full report can be accessed here: <http://www.cdss.ca.gov/cdssweb/entres/pdf/CWRealignmentReport2014.pdf>

- **Extended foster care.** AB 12 (Beall), Chapter 559, Statutes of 2010, enacted the “California Fostering Connections to Success Act of 2010,” which provides an extension for foster youth, under specified circumstance, to remain in care until age 21; increases support for kinship care (opportunities for youth to live with family members); improves education stability; coordinated health care services; provides direct child welfare; and, expands federal resources to train caregivers, child welfare staff, attorneys, and more.
- **Title IV-E Waiver.** Title IV-E is the major federal funding source for child welfare and related probation services. These funds, which were previously restricted to pay for board-and-care costs and child welfare administration, can be used to provide direct services and supports under the waiver extension. Since Title IV-E funding is based solely on actual cost of care, if a county’s preventative services are effective and fewer children enter or stay in the foster care system, the county’s Title IV-E funding is reduced. Thus, the county is penalized for reducing foster care placements, even though such a reduction is the most desirable outcome. Last year’s budget authorized the waiver extension for five years, beginning October 1, 2014. The seven participating counties include: Alameda, Butte, Lake, Los Angeles, Sacramento, San Diego, San Francisco, Santa Clara, and Sonoma.
- **Commercial Sexual Exploitation of Children Program.** SB 855 (Budget and Fiscal Review Committee), Chapter 29, Statutes of 2014 provided \$5 million, and \$14 million General Fund ongoing, to enable county child welfare agencies to provide services to child victims of commercial sexual exploitation to enable county child welfare agencies to serve victims of commercial sexual exploitation.
- **Relative Caregiver Funding.** Effective January 1, 2015, counties, who opt-in to the Approved Relative Caregiver Funding Program, must pay an approved relative caregiver a per child, per month rate, in return for the care and supervision of a federally ineligible Aid to Families with Dependent Children-Foster Care (AFDC-FC) child placed with the relative caregiver, equal to the base rate paid to foster care providers for a federally-eligible AFDC-FC child.

**Staff Comment and Recommendation.** This is an informational item, and no action is required.

### **Questions**

1. DSS: What are some factors that may contribute to the declining foster care caseload? What are some expected caseload trends for the future?
2. DSS: How is the department mitigating disparities across racial and ethnic characteristics of children and youth involved in the child welfare system, of placement types, and of length of time in the child welfare system?



**4260 Department of Health Care Services****5180 Department of Social Services – Child Welfare Services****1. Oversight: Out-of-County Placements**

**Oversight Issue.** Concerns have been raised regarding a longstanding issue of access to mental health services for foster children and youth placed out of county. When these children are placed out of county, they are at risk of experiencing prolonged delays or denials in accessing mental health services as counties dispute the authorization of, and payment for, services and the responsibility for coordinating these services.

In 2010, the Child Welfare Council approved an action plan to resolve this problem. However, this action plan was not implemented. In early 2015, the Department of Health Care Services (DHCS) and the Department of Social Services (DSS) released a “concept paper” outlining a solution to this longstanding problem and anticipate meeting in early April with county stakeholders to discuss next steps to finalize the policy.

**Background.** Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) is an entitlement under federal law for all Medi-Cal-eligible children including children placed into foster care. Specialty mental health is a covered EPSDT benefit for children who meet “medical necessity” criteria for such care.

County mental health plans are the responsible entity that ensures Medi-Cal specialty mental health services are provided. Each county mental health plan contracts with local private mental health service providers or uses county mental health staff to deliver services.

It is estimated that 20 percent of foster children and youth are placed out of county. They are placed out of county for various reasons, such as placement with a relative that may live in another county or placement in a short-term residential placement. In these situations, counties can (1) keep the child enrolled in Medi-Cal in the home county or (2) transfer the child’s Medi-Cal case to the host county. There is no statewide policy regarding this choice as each child’s situation may be different (and each county may have a different policy).

Pursuant to Welfare and Institution Code (WIC) Section 5777.6, DHCS is required to collect and keep data to enable “the department to compare access to outpatient specialty mental health services by foster children placed in their county of adjudication with access to outpatient specialty mental health services by foster children placed outside of their county of adjudication.”

**Staff Comment & Recommendation.** DHCS and DSS indicate that they are close to developing a solution for this longstanding issue; however, these departments have been “working” for years to address this issue.

Subcommittee staff has requested data pursuant to WIC Section 5777.6 regarding DHCS’ comparison of access to outpatient specialty mental health services by foster children in their county of adjudication to foster children placed outside of their county of adjudication. DHCS has not yet provided this information.

This item is informational and is included for discussion. No action is required.

**Questions**

1. DHCS and DSS: Please provide an overview of this issue.
2. DHCS and DSS: Please provide a brief overview of the policies contained in the draft “concept paper.”
3. DHCS and DSS: When are you meeting with stakeholders to finalize the policy solution and establish a timeline for implementation?
4. DHCS: What statistics does DHCS collect and keep that enable “the department to compare access to outpatient specialty mental health services by foster children placed in their county of adjudication with access to outpatient specialty mental health services by foster children placed outside of their county of adjudication?” (pursuant to WIC Section 5777.6) How does DHCS use this information to ensure that foster care children placed out of county receive timely access to services? When was the last time the department completed this analysis? When will this requested information be submitted to the Subcommittee?

## 2. Oversight: *Katie A.*/Child Welfare and Mental Health Coordination and Monitoring

**Oversight Issue.** The court jurisdiction over the *Katie A.* lawsuit expired on December 1, 2014. Despite the end of this court jurisdiction, it is important that DSS and DHCS continue to support, assist, and guide county child welfare and mental health agencies as they continue to build their infrastructures and increase service deliveries.

**Background.** The *Katie A. vs. Bonta* case was first filed on July 18, 2002, as a class action suit on behalf of children who were not given services by both the child protective system and the mental health system in California. The suit sought to improve the provision of mental health and supportive services for children and youth in, or at imminent risk of placement in, foster care in California.

On December 2, 2011, Federal District Court Judge A. Howard Matz issued an order approving a proposed settlement of the case. According to the Department of Health Care Services, “The settlement agreement seeks to accomplish systemic change for mental health services to children and youth within the class by promoting, adopting, and endorsing three new service array approaches for existing Medicaid covered services, consistent with a Core Practice Model (CPM) that creates a coherent and all-inclusive approach to service planning and delivery.” The settlement agreement also specifies that all children and youth who meet subclass criteria are eligible to receive Intensive Care Coordination (ICC),<sup>4</sup> Intensive Home-Based Services (IHBS)<sup>5</sup>, and Therapeutic Foster Care (TFC). County mental health plans (MHPs) are required to provide ICC and IHBS services to subclass members. MHPs provide ICC and IHBS and claim federal reimbursement through the Short-Doyle/Medi-Cal (SDMC) claiming system.

The Department of Social Services and Department of Health Care Services worked together with the federal court appointed Special Master, the plaintiffs’ counsel, and other stakeholders to develop and implement a plan to accomplish the terms of the settlement agreement.

On December 1, 2014, court jurisdiction over the *Katie A.* lawsuit expired. Pursuant to the *Katie A.* settlement agreement, the court retained jurisdiction over the lawsuit for 36 months after court approval of the agreement which occurred on December 1, 2011. The final status conference was held on November 24, 2014 and focused on post-jurisdiction collaboration and activities.

**State Plan Amendment for TFC.** On March 27, 2014, DHCS submitted a State Plan Amendment to the Centers for Medicare and Medicaid Services to include TFC services as a rehabilitative mental health service. If approved by the federal government, TFC would then be available to eligible Medi-Cal children and youth, up to age 21, with intensive or complex emotional and behavioral needs. DHCS is awaiting federal notification.

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<sup>4</sup> Intensive Care Coordination (ICC) is a service that is responsible for facilitating assessment, care planning, and coordination of services, including urgent services (for children/youth who meet the *Katie A.* Subclass criteria).

<sup>5</sup> Intensive Home-Based Services (IHBS) are individualized, strength-based interventions designed to ameliorate mental health conditions that interfere with a child’s functioning. IHBS are delivered according to an individualized treatment plan developed by the Child and Family Team (CFT). The CFT develops goals and objectives for all life domains in which the child’s mental health condition produces impaired functioning, including family life, community life, education, vocation, and independent living, and identifies the specific interventions that will be implemented to meet those goals and objectives.

**Staff Comment & Recommendation.** It appears that the *Katie A.* settlement led to increased collaboration between DHCS, DSS, and counties. It will be important to ensure that this increased collaboration and commitment continue when considering solutions to assist children placed in foster care.

This item is informational and is included for discussion. No action is required.

**Questions**

1. DHCS and DSS: Please briefly describe the *Katie A.* settlement agreement. What has changed since court jurisdiction of this settlement agreement has ended?
2. DHCS and DSS: How are you supporting counties as they continue to build their infrastructures and increase service deliveries?
3. DHCS and DSS: How are you working with the three counties (Stanislaus, Sutter, and Trinity) that are not yet providing ICC and IHBS services to subclass members?
4. DHCS: Has the department received any updates from CMS about the proposed State Plan Amendment?

### 3. Oversight: Psychotropic Medications

**Oversight Issue.** Recent news articles have highlighted the growing concern that psychotropic medications have been over-prescribed to children in the foster care system. Advocates raise concerns that these drugs may be administered for non-medical reasons: as chemical restraints, for the convenience of caretakers, and as punishments for being unpleasant or troublesome.

On February 24, 2015, the Senate Committee on Human Services and Select Committee on Mental Health held a joint oversight hearing on this subject.

**Background.** Studies have shown that age, gender, and placement type impacts the prevalence of psychotropic drug use.<sup>6</sup> According to the U.S. Department of Health and Human Services – Administration on Youth and Families (ACYF),<sup>7</sup> children in foster care are more likely to be prescribed psychotropic medications as they grow older, with 3.6 percent of two- to five- year olds taking psychotropic medication at a given time. This increases to 16.4 percent of six- to eleven-year-olds and 21.6 percent of twelve to sixteen year olds. The likelihood that a child will be prescribed multiple psychotropic medications also increases with age. In addition, males in foster care are more likely to be receiving psychotropic medications (19.6 percent) than their female counterparts (7.7 percent). Pertaining to placement type, ACYF finds that children in the most restrictive placement setting are the most likely to receive psychotropic medications, or multiple medications. In group or residential homes, nearly half of the young people are taking at least one psychotropic drug.

In 2012, the Department of Health Care Services and Department of Social Services initiated a collaborative called the Foster Care Quality Improvement project (“QIP”) for psychotropic drugs in foster care. Workgroups include:

- **Clinical Workgroup** – The Clinical Workgroup’s focus is to develop tools to assist prescribers, pharmacists, and the juvenile courts improve their roles in the provision of psychotropic medications.
- **Data and Technology Workgroup** – The Data and Technology Workgroup’s focus is to conduct analysis of child welfare and managed care and fee-for-service pharmacy claims data.
- **Youth, Family, and Education Workgroup** – The Youth, Family, and Education Workgroup’s focus is to develop and disseminate training materials and information about psychotropic medications for youth, parents, caregivers, social workers, juvenile court staff, and other figures supporting the foster care population.

**Global Data-Sharing Agreement.** DHCS, DSS, and the counties are in the process of developing a global data-sharing agreement that would allow these entities to share data concerning foster care children (including placement data and Medi-Cal claims data) without having to identify each particular data element that might be shared. This agreement would more easily allow these entities to conduct population-level analysis for foster care children and identify concerning trends or outliers.

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<sup>6</sup> Raghavan, R; Zima, BT; Anderson, RM; Leibowitz, AA; Schuster, MA; & Landsverk, J. (2005). Psychotropic medication use in a national probability sample of children in the child welfare system. *Journal of child and adolescent psychopharmacology*. 15(1):97.

<sup>7</sup> Administration for Children and Families Information Memo: “Promoting the Safe, Appropriate, and Effective Use of Psychotropic Medication for Children in Foster Care (2012)”. <http://www.acf.hhs.gov/sites/default/files/cb/im1203.pdf>

**Treatment Authorization Request.** On October 1, 2014, DHCS implemented a treatment authorization request (TAR) requirement for any antipsychotic medication prescribed to a Medi-Cal beneficiary under the age of 18, including foster children covered by Medi-Cal. The purpose of the TAR requirement is to provide DHCS with greater oversight and monitoring of the use of antipsychotic medications for children. According to DHCS, initially there were implementation issues as the new process was not clear to providers. However, DHCS indicates that these issues have been addressed and it is not aware of any systematic issues with this TAR process. Additionally, DHCS notes that this TAR requirement has improved its ability to track off-label use of drugs for children. According to DHCS, existing regulations already require a TAR for off-label use; however, it appears that some prescribers of these medications for youth were unaware of this requirement.

**Medical Board Request for Data.** In the fall of 2014, the Medical Board requested information from DHCS to investigate physicians who prescribed three or more psychotropic drugs to foster care children for a period of 90 days or more. DHCS has not yet provided this information and indicates that it is still in the process of finalizing a data use agreement with the Medical Board. In mid-March, Senate President pro Tempore De León and Senators Beall, McGuire, Mitchell, and Monning sent a letter to the director of DHCS inquiring about data requests by the Medical Board.

**Staff Comment & Recommendation.** This item is informational and is included for discussion. No action is required.

DHCS and DSS have taken steps to tackle this issue; however, important steps remain to be taken. Finalizing the data-sharing agreements, systematically reviewing the data, and identifying courses of action based on this data will be key to ensuring that foster children are not inappropriately medicated and are provided the appropriate continuums of placement, care and service.

### **Questions**

1. DSS and DHCS: Please provide an overview of this item and the activities of the Foster Care Quality Improvement Project.
2. DSS and DHCS: What is the status of the global data-sharing agreement? What is the timeline for executing this agreement?
3. DSS and DHCS: How are the departments using the data that is being compiled to strengthen their oversight of prescribing physicians and of group homes to ensure that appropriate alternative services and programming is made available to foster and probation youth?
4. DHCS: Is there a work plan coming from the Youth, Family, and Education Workgroup to ensure that foster youth receive needed Medi-Cal mental health services and other social support services as well as decreased reliance on psychotropic medications?
5. DSS and DHCS: What tools can either department identify to that could help determine if foster youth are receiving appropriate mental health services that may prevent overuse of psychotropic medications? What would it take to compile it in a way that would be useful to better understand mental health care utilization in foster care?

6. DHCS: Does DHCS have any plans to further education Medi-Cal prescribing providers regarding appropriate use of psychotropic medications for this population?
7. DHCS: What is the status of providing physician data to the Medical Board? Why has it taken DHCS so long to share this data? What is the status of matching Medi-Cal prescribing data with facilities (e.g., group homes) and by county?
8. DSS and DHCS: How will the departments measure improvements and milestones; and evaluate the strategies being developed to address this problem?

**5180 Department of Social Services – Child Welfare Services****1. Continuum of Care Reform (CCR)**

**Budget Issue.** The budget includes \$9.6 million (\$7 million General Fund) to fund two of the 19 recommendations outlined in the Continuum of Care Reform Report: increase foster parent recruitment, retention, and training efforts (\$3.8 million [\$2.8 million GF]); and increase foster family agency social worker rates (\$5.8 million [\$4.2 million GF]) by fifteen percent.

**Background.** SB 1013 (Budget and Fiscal Review Committee), Chapter 35, Statutes of 2012, authorized the Continuum of Care Reform (CCR) effort to develop recommendations related to the state's current rate setting system, and to services and programs that serve children and families in the continuum of Aid to Families with Dependent Children-Foster Care (AFDC-FC) eligible placement settings. In particular, the Legislature expressed its intent for recommended reforms, including reforms related to the use of group homes, changes to the rate systems, and changes to the assessment of children's needs, and to outcome measurement, to promote positive outcomes for children and families.

According to the department's 2014 CWS Realignment Report, for the largest age group category, 13-17 years old, of the 4,737 children, the majority (45 percent) move out of group home placements in less than 12 months, longer stays (12-36 or more months) comprise the remaining 55 percent (2,619). From 2009 to 2013, the total number of children and youth placed in group homes for the same population dropped from 7,033 to 6,188.

On January 9, 2015, DSS released the report<sup>8</sup> concurrently with the release of the Governor's budget. The report provided 19 recommendations with the expressed goal to:

Reduce reliance on group homes as a long-term placement setting by narrowly defining the purpose of group care, and by increasing the capacity of home-based family care to better address the individual needs of all children, youth, and caregivers.

According to the department, the recommendations "represent a paradigm shift from traditional group homes as a long-term placement to Short-Term Residential Treatment Centers (STRTC) as an intervention." The list of 19 recommendations seeks to improve assessment of child and families to make more appropriate initial placement decisions; emphasize home-based family care; support placement with available services; change the goals for group home care placement; and, increase transparency for child outcomes. Some of the recommendations include:

- **Accreditation.** Require STRTCs and Foster Family Agencies to be accredited by a national body, as a condition of receiving a foster care rate.
- **Foster Family Agencies (FFA).** Allow public agencies to be licensed to operate an FFA. Strengthen resource family recruitment (such as relative caregivers and foster and adoptive families), training, and retention strategies.

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<sup>8</sup> Please see [http://www.cdss.ca.gov/cdssweb/entres/pdf/CCR\\_LegislativeReport.pdf](http://www.cdss.ca.gov/cdssweb/entres/pdf/CCR_LegislativeReport.pdf) for the full legislative report and list of recommendations.



- Short Term Residential Treatment Centers (STRTCs). STRTC programs will provide services and support for children and youth who need short-term, intensive treatment. Placements must be reviewed at six-month intervals or less.
- Rate structures. Replace the group home Rate Classification Level system with a statewide residential rate for all STRTCs. Revise the FFA rate structure to account for two types of FFAs – those that provide core services, and those that function as home-finding agencies.
- Residential treatment. Phase-out county-operated children’s shelters. Educationally-based boarding schools for foster youth must adapt and align their programs to meet CCR goals.
- Performance and outcomes. Use a client satisfaction survey to capture children and their families’ perceptions regarding services received from STRTC and FFA treatment providers. Develop a method to increase transparency of a provider’s performance.

**Outcomes associated with group homes.** Most children served by a child welfare agency are placed with families. However, approximately 3,000 children and youth have been in group homes for more than one year, and probation departments often use group home settings in lieu of locked settings. Significant research documents the poor outcomes of children and youth in group homes. For example, children who leave group care to reunification have higher re-entry rates into foster care. In addition, students in group homes were the least likely to graduate (35 percent), whereas students in kinship (64 percent) and guardianship placements (71 percent) were the most like of 12th grade students in foster care to graduate from high school. Further, group home placement is also associated with increased risk of arrest. While some youth residing in group homes may have already had more complex needs at the time of their placement, research also indicates that congregate care settings themselves, and the long-term use of residential shift care instead of family-based settings, may create or exacerbate their challenges.

**LAO Comments.** In the “2015-16: Analysis of the Human Services Budget,” the LAO finds:

- Recommendations broadly consistent but lacks details. The CCR report’s recommendations provide little detail on specifically how the rates for STRTCs and FFAs would be structured to achieve CCR objectives.
- Appropriate to focus on building capacity in home-based settings. Given the concerns about insufficient amount of county foster homes, it is important to ensure that there are enough family-based placements available for children transitioning from group home placements, and that these placements have access to the services and supports to meet a child’s needs.
- Unclear how proposed funding will achieve CCR objectives. The Administration does not specify how the \$3.8 million for foster parent outreach, recruitment and support would be used, and what outcomes would be expected. It is unclear how the funding is to be distributed and whether all counties have access to these funds. It is difficult to assess whether the amount proposed in the budget is appropriate to meet CCR objectives.

Further, the proposed increase in the FFA social worker rate appears to allow FFAs meet existing expectations under current law, not tied to new FFA responsibilities or services as envisioned in the CCR recommendations.

**Staff Comment. Hold open.** Staff recommends holding the item open for further discussion.

**Questions**

1. DSS: Please provide an overview of the Administration's proposal. Why were these two items selected as priorities above other CCR recommendations?
2. DSS: Please provide further detail about how funding for the county foster parent recruitment and support will be allocated and used.
3. DSS: How will the department ensure this funding is consistent with timelines with the concurrent legislation? Or, does the department view this funding as separate and distinct from the legislation?

**2. Trailer Bill [602]: Approved Relative Caregiver Funding Options Program Clean-Up**

**Budget Issue.** The Administration proposes the following language to “administratively streamline the application process for grant payments, maximize federal funding, and ensure that families do not experience a break in services or payment”:

1. Foster children and non-minor dependents (NMDs), who are eligible to receive an approved relative caregiver (ARC) payment will be placed into a separate assistance unit.
2. The CalWORKs portion of the payment will be the exempt maximum aid payment for an assistance unit of one.
3. If the approved relative caregiver is needy, his or her assistance unit size will include the number of ARC children, or NMDs, only for purposes of determining program income and eligibility of the CalWORKs assistance unit. For purposes of calculating the grant amount for the needy caregiver, the ARC child and NMD is excluded.
4. Foster care resource limits will be used to determine eligibility of an ARC child and NMD.
5. Overpayments will be collected pursuant to existing foster care program requirements.
6. County of court jurisdiction has payment responsibility for ARC children and NMDs.
7. An approved relative caregiver is exempt from Statewide Fingerprint Imaging Systems, reporting, immunization, and other CalWORKs requirements.
8. The General Fund (GF) appropriation must be increased annually by an amount greater than the CNI to ensure that the caregiver payments get a full California Necessities Index (CNI) adjustment.
9. The GF portion of the ARC payment may be countable towards maintenance-of-effort (MOE), only if the GF is not counted as MOE for another purpose.

The Department of Social Services does not anticipate the trailer bill language to have a fiscal impact. In addition to the \$30 million GF for the budget year, the department also estimated \$3.9 million for programming changes to the automation system, Statewide Automated Welfare System for the current fiscal year.

**Background.** Senate Bill 855 (Budget and Fiscal Review), Chapter 29, Statutes of 2014, established the Approved Relative Caregiver Option Program and provided an ongoing annual appropriation of \$30 million GF, to be adjusted annually by CNI. Prior to the ARC Program, funding associated for a placement with a relative caregiver depended on a child’s eligibility for federal Aid to Families with Dependent Children-Foster Care (AFDC-FC). If a child was not eligible for AFDC-FC, the relative caregiver could apply for, and receive, a CalWORKs benefit, in lieu of AFDC-FC. Unlike AFDC-FC, generally, CalWORKs grants are based on the entire family size, not per-child, and are less than half of the AFDC-FC rate.

Under the ARC program, relative caregivers receive an applicable regional per-child CalWORKs grant, plus the GF portion in an amount that provides a rate equal to the basic foster family home rate (based on the age of the child).

Participating counties are provided GF, based on the a county’s maximum number of eligible approved relative caregiver placements in the county as of July 1, 2014. If the county-specific ARC caseload exceeds the baseline caseload of July 1, 2014, then the county must be responsible for making the full ARC payments. Counties must also be responsible for the county-share of the CalWORKs payment.

As of March 2014, 30 counties<sup>9</sup> have opted to participate in the program.

**Staff Comment & Recommendation. Hold open.** Staff recommends holding the item open.

**Questions**

1. DSS: Please provide an overview of the ARC Option Program and the need for the trailer bill.
2. DSS: What are some factors that may have contributed to counties not participating in the first year? How is the department conducting outreach to ensure that counties, who are interested in participating, are receiving technical assistance?

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<sup>9</sup> Alameda, Amador, Calaveras, Colusa, Contra Costa, Fresno, Inyo, Kings, Lake, Los Angeles, Madera, Marin, Mariposa, Mendocino, Mono, Monterey, Orange, Placer, Plumas, San Benito, San Francisco, San Joaquin, San Luis Obispo, Santa Barbara, Shasta, Solano, Sonoma, Stanislaus, Ventura and Yolo.

**3. Trailer Bill [608]: Child Near Fatality Public Disclosure**

**Budget Issue.** The Administration proposes trailer bill language that contains the following provisions:

1. Clarifies that the county child welfare agency must, upon request, and within five business days of learning that a child fatality has occurred in the county and that there is reasonable suspicion that the fatality was caused by abuse or neglect, release whether the child resided in foster care.
2. Adds “reports, investigations, results of investigations, and cause and circumstance of the child’s death” to the list of documents from the juvenile case file to be released, upon completion of the child abuse or neglect investigation into the child’s death.
3. Adds “a description of child protective or other services provided, including dates of reports, investigations, and services rendered; and actions taken by the child welfare agency, if any, that are pertinent to the child abuse or neglect that resulted in the fatality” to the list of documents that must be disclosed for cases in which a child’s death occurred while living with a parent or guardian.
4. Clarifies that juvenile case files that are not subject to disclosure pursuant to the proposed section of law, must be disclosed upon a juvenile court order.
5. Provides that the definition of “child abuse and neglect” is identical to the definition provided in federal law.
6. Defines “substantiated” to mean a:  
Report determined by the investigator who conducted the investigation to constitute child abuse or neglect, as defined in federal law, based upon evidence that makes it more likely than not that child abuse or neglect occurred. A substantiated report must not include a report where the investigator who conducted the investigation found the report to be false, inherently improbable, to involve an accidental injury, or to not constitute child abuse or neglect, as defined in federal law.
7. Provides that nothing in the state law authorizes information to be disclosed that would reveal a person’s identity who provided information related to the suspected abuse, neglective, or maltreatment of a child.
8. Requires that all cases, in which abuse or neglect results in a child’s near fatality, as proposed to be defined in state law, must be subject to disclosures set forth in state law.
9. Defines “near fatality” as the identical meaning in federal law, except that near fatalities must not include children with injuries or symptoms, however severe, that do not result in the child’s overall condition of serious or critical.
10. Defines a “near fatality case” as one that meets all of the following conditions:
  - a. A licensed physician determines that the child is in serious or critical condition.
  - b. A child’s condition is the result of abuse or neglect, as defined in federal law.

11. Establishes that abuse or neglect is determined to have resulted in a child's near fatality if one of the following conditions is met:
  - a. A law enforcement investigation concludes that child abuse or neglect occurred.
  - b. A county child welfare services agency determines that the child abuse or neglect was substantiated.
12. Requires that findings or information disclosed regarding child near fatalities, upon request, must consist of a written report that includes all of the following information:
  - a. A child's age and gender;
  - b. The date, if known, when the abuse or neglect occurred that resulted in the near fatality;
  - c. The date, if known, when a licensed physician determined the child victim to be in serious or critical medical condition;
  - d. Whether the child resided in foster care, or in the home of his/her parent or guardian at the time of the near fatality;
  - e. The cause and circumstances regarding the near fatality;
  - f. A description of reports received, child protective or other services provided, and actions taken by the county child welfare services agency regarding all of the following:
    - i. Suspected abuse or neglect of the child near fatality victim.
    - ii. Suspected abuse or neglect of other children pertinent to the abuse or neglect.
    - iii. A written narrative that includes the dates of reports; investigations; services rendered; actions taken; and, the investigative disposition for each report.
13. Requires a county welfare department or agency to disclose to the public, upon request, all written assessment of a child's safety in the home and the child's future risk of harm by abuse or neglect prepared by the county child welfare services agency.
14. Requires a county welfare department or agency to release all required findings and information to the public, if disclosure is requested, within 30 calendar days of either the request or the disposition of the investigation, whichever is later.
15. Prohibits the following information and records to be disclosed:
  - a. Names, address, telephone numbers, ethnicity, religion, or any other identifying information of any person or institution, other than the county or the Department of Social Services.
  - b. Any information that would jeopardize a criminal investigation or proceeding.
  - c. Any psychiatric, psychological, therapeutic evaluations, clinical or medical reports, evaluations or similar materials or information pertaining to the child or the child's family.
16. Requires the county welfare department or agency to notify and provide a copy of the request
17. Juvenile case file records that are not subject to the disclosure must only be disclosed upon order of the juvenile court pursuant to state law.
18. Authorizes the Department of Social Services (DSS) or county welfare department to comment on the case once documents have been released. If a county welfare department or agency comments on the case, the social worker on the case may also comment publicly about the case.

19. Requires each county child welfare services agency to notify DSS of every child near fatality that has occurred within its jurisdiction that was a result of child abuse or neglect.
20. Provides that a person disclosing juvenile case file information, as required, must not be subject to civil or criminal proceedings for complying with the law.
21. Establishes that this law shall only apply to near fatalities that occur on, or after, July 1, 2015.
22. Provides that a county child welfare department or agency is not required to retain documents beyond any date otherwise required by law.
23. Clarifies that nothing in this section of law requires a county welfare department or agency to obtain documents not in the case file.
24. Clarifies that nothing in this section of law authorizes the disclosure of information that would reveal the a person's identity who provided information related to suspected abuse, neglect, or maltreatment of the child.
25. Authorizes Department of Social Services to implement changes, including those regarding child near fatalities procedures, through all county letters or similar instructions.

Funding for this proposal includes \$263,000 (\$105,000 GF) for Fiscal Year (FY) 2014-15, which represents a half year of funding. For 2015-16, the budget includes \$529,000 (\$210,000 GF) is budgeted for a full year of costs in FY 2015-16. The budgeted amounts reflects the costs associated with compiling and publishing reports, and disclosing information on all near fatalities caused by suspected child abuse or neglect as required by federal CAPTA.

**Background.** The federal Child Abuse Prevention and Treatment Act (CAPTA) requires that states receiving funds under CAPTA must disclose to the public findings and information about child abuse and neglect cases that result in fatalities or near fatalities. After being deemed out of compliance, the Department of Social Services (DSS) issued All County Letter 06-24 on July 21, 2006, as part of its corrective action plan, noting its approach to provide the public a case-specific summary, as prepared by DSS and the county child welfare agencies (child welfare and probation). A September 15, 2008, letter from the federal Department of Health and Human Services, Administration on Children, Youth, and Families found that the state's disclosure practice for fatalities is more extensive than that released for near fatalities. Federal guidance was issued in September 2012, related to disclosing information on these cases and the federal Administration for Children, Youth, and Families (ACYF) has directed states to provide a plan to ensure compliance. The federal Child Welfare Policy Manual (CWPM) clarifies that states must develop procedures for the release of information including, but not limited to, the following items:

- Cause of and circumstances regarding the fatality or near fatality;
- Age and gender of the child;
- Information describing any previous reports of child abuse and/or neglect investigations; that are pertinent to the child abuse and/or neglect that led to the fatality or near fatality;
- Result of any such investigations; and,
- Services provided by and actions of the state on behalf of the child pertinent to the child abuse and/or neglect that led to the fatality or near fatality.

Senate Bill 39 (Migden), Chapter 468, Statutes of 2007, requires that once the cause of death from abuse or neglect has been substantiated, the child welfare agency must, within five days of a request, release specified records (age, gender, date of death of the child; whether an investigation is being conducted; whether the child was in foster care or in the home of his/her parent or guardian), subject to redaction of confidential information. The bill did not make any provision for the release of information for cases of near fatalities.

According to the department, this proposal “will align California statute with the federal Child Abuse Prevention and Treatment Act (CAPTA) regarding the disclosure of findings and information in child fatality and near fatality cases. California must comply with the requirements of CAPTA concerning the disclosure of findings and information in child fatality and near fatality cases.

The CAPTA grant averages slightly more than \$3 million annually. The funds are currently obligated for the following purposes:

- Support of a statewide network to provide technical assistance and training to non-profit prevention and early intervention providers
- A tool to track service provision and outcomes of those served by community-based providers
- Support for parent leadership development
- Funds the California Evidenced-based Clearing House for Child Welfare

**Advocate concerns.** Some advocates are concerned that the proposed language represents a retreat from or complicates existing practice regarding fatalities, and does not mirror existing language and practice established by SB 39 (Migden). Some concerns include:

- Existing law requires specified information to be released for cases in a child fatality, including emergency response referral information, health care records, cross reports, risk and safety assessments; and copies of policy reports about the person against whom the abuse or neglect was substantiated. Proposed law adds the following to the list of information that must be disclosed: a narrative of child protective or other services provided and actions taken by the child welfare agency; reports; investigations and the results of those investigations. Would this additional information delay agencies’ ability to comply within the 10 day release of information to the public?
- Existing Penal Code defines “child abuse or neglect” as “physical injury or death inflicted by other than accidental means upon a child by another person, sexual abuse, neglect, the willful harming or injuring of a child or the endangering of the person or health of a child, and unlawful corporal punishment or injury.” The proposed definition of child abuse and neglect, which mirrors the federal definition, appears to limit child abuse and neglect to acts by “a parent or caretaker” instead of the Penal Code definition, which includes acts by another person.
- Existing law requires county welfare departments to release juvenile case file information to the public within 10 business days of the request or the disposition of the investigation into a child’s death. For child near fatalities, proposed language requires that information related to a child’s near fatality be released within 30 calendar days, not 10 business days.



- As part of the definition of a “near fatality”, proposed language requires a licensed physician to determine that the child is in serious or critical condition. The language creates a narrow reporting window, as it does not take into account cumulative impact of neglect, or whether the child recently was in serious or critical condition as a result of abuse or neglect.

The department notes that it is currently working with the County Welfare Directors Association, Child Advocacy Institute, NYCL, and the California Newspaper Publishers Association on this trailer bill language.

**Staff Comment & Recommendation. Hold open.** Staff recommends the item remain open to allow further discussion between the department and the advocates.

### **Questions**

1. DSS: Please provide a brief overview of the issue and a summary of the trailer bill language.
2. DSS: How long has the state been out of compliance with CAPTA? During those years, what did the state do as part of its corrective action plan? What are the repercussions, fiscal or otherwise, for being out-of-compliance with CAPTA?

**4. BCP #50: AB 1978 Child Welfare Social Worker Empowerment and Foster Child Protection Act**

**Budget Issue.** The Administration requests one staff services manager and associated operating expenses and equipment to implement a confidential process whereby child welfare social workers can inform the Department of Social Services (DSS) of local policies, procedures, or practices that endanger a child's welfare. Within the department, social worker disclosures are received, evaluated against established criteria, investigated, and reported.

**Background.** Assembly Bill 1978 (Jones-Sawyer), Chapter 768, Statutes of 2014, requires DSS to collaborate with labor unions and the County Welfare Directors Association to develop a process where county child welfare social workers can notify the department, without fear of reprisal, of a county practice, policy, or procedure that could endanger a child's health and safety.

**Justification.** According to the department, this position is "needed due to the confidential nature of these investigations; the sensitivity involved with working with high-level county child welfare administrators to obtain the information necessary to conduct and complete the investigations; to work with legal staff; and to develop any corrective or administrative plans for correction." Although the request is for only one position, the department notes that this workload is not-absorbable because it is a new activity and workload for the department. This proposal fulfills the mandate of oversight of the child welfare services system.

As of April, the department has received two calls. DSS anticipates an increase in call volume once the process is publicized.

**Staff Comment & Recommendation.** Hold open for further review.

**Questions**

1. DSS: Please provide a brief summary of the proposal.
2. DSS: Please provide a timeline on the implementation of the process, if it is to be fully in place by January 1, 2016. What are the key benchmarks?

**5. Interagency Child Abuse and Neglect Reporting (ICAN) Mandate**

**Budget Issue.** The Administration includes a \$4 million grant program to fund county welfare and probation departments' ICAN activities, for counties that choose to participate.

**Background.** In 1980, the Legislature enacted the Child Abuse and Neglect Reporting Act, which requires mandated reporters to report child abuse and neglect to local law enforcement agencies or county welfare or probation departments. These agencies must forward information to the Department of Justice for entry into a central statewide reporting system, known as the Child Abuse Central Index (CACI).

In December 2007, the Commission on State Mandates found that provisions of the ICAN imposed a state reimburseable mandate on local governments, for requiring them to:

- Distribute the report to mandated reporters;
- Cross-report all reports of child abuse and neglect to other child protective agencies;
- Investigate child abuse and neglect reports to determine if they are substantiated or inconclusive, and therefore, should be submitted to the Department of Justice; and,
- Notify suspected child abusers when they are reported to CACI.

The state owes around \$1.9 billion for unpaid mandate claims. The Interagency Child Abuse and Neglect Reporting (ICAN) mandate includes \$90.4 million in claims from 1999-2013. For more information about mandates and the Governor's associated proposal to suspend the ICAN mandate, please see agendas for Subcommittee No. #4 on State Administration and General Government.

**LAO Comments.** The Legislative Analyst's Office makes the following comments:

- Governor's proposed grant program has merit but some limitations. Because cost information is limited, some counties may consider the grant amounts to be less than their ICAN mandate costs. In addition, the proposed grant program does not provide any resources to local law enforcement agencies to offset their ICAN mandate costs. Lastly, the proposal adds \$90.4 million on top of the existing post-2004 mandate backlog.
- Link law enforcement Proposition 172 funding to ICAN implementation to possibly increase compliance. In 1993, recognizing the impact of Educational Revenues Augmentation Fund (ERAF) on cities, counties, and special districts, California voters enacted Proposition 172, which established a statewide half-cent sales tax for city and county public safety services. About one quarter of cities, mostly those that incorporated after 1978, do not receive Proposition 172 funds. The LAO recommends requiring cities and counties, as a condition of receiving Proposition 172 funds, to carry out ICAN mandate activities.

**LAO Recommendations.** The LAO recommends the Legislature work with counties to determine the funding level that would sufficiently encourage full county participation; require city and county law enforcement agencies carry out ICAN activities as a condition of receiving Proposition 172 funds; and, work with the Administration to develop a plan to pay off the post-2004 mandate backlog, including the ICAN mandate.

**Staff Comment & Recommendation. Hold open.** Staff notes the importance of cross-reporting as a function of the state's oversight role in child welfare, as well as the value of CACI in providing due process for those who may be listed on CACI incorrectly. According to the department, the amount of the grant (\$4 million) is based on claims currently received by the State Controller's Office. For CWS agencies, the department will continue to monitor and evaluate the appropriate level of funding still needed for ICAN activities throughout the budget process.

Staff recommends holding the item open for further review.

**Questions**

1. DSS: Please provide an overview of the proposal.
2. DSS: What existing mechanisms are in place to ensure communication across child protective services and law enforcement?

**6. April Letter - BCP #83: Implementing Child Victims of Human Trafficking**

**Budget Issue.** The Administration requests two permanent associate governmental program analysts to support the implementation of the Commercially Sexually Exploited Children (CSEC) program and the federal Preventing Sex Trafficking and Strengthening Families Act (PL 113-183). These two positions will engage nonprofits, service providers, social service agencies, law enforcement, and health and mental health agencies in the development of state policies and program guidelines for services to children and youth at risk of, or victimized by, commercial sexual exploitation. The requested positions will also support county programs to provide prevention activities, intervention activities, and services to children who are victims, or at risk of becoming victims, of commercial sexual exploitation.

**Background.** Between 2010 and 2012, 1,277 victims of commercial sexual exploitation were identified within California. Common barriers to intervention and prevention services include the challenges of having to navigate multiple systems, including foster care and the juvenile justice system. SB 855 (Budget and Fiscal Review Committee), Chapter 29, Statutes of 2014, created the CSEC Program and clarified that child trafficked victims fell under the jurisdiction of child welfare, not juvenile justice, when a parent, or guardian, failed to, or was unable to, protect them from trafficking. The Preventing Sex Trafficking and Strengthening Families Act of 2014, amended foster care and adoption assistance IV-E Social Security Act funding to, among other things, require state IV-E agencies to develop and implement policies and procedures to identify, document, report, and serve children and youth in care who are, or are at-risk of becoming, victims of sex trafficking. One of the federal requirements are for IV-E agencies to report cases of CSE to law enforcement no later than 24 hours after identifying a victim of CSE, and to report to law enforcement within 24 hours any time a child in care goes missing that is identified as, or at risk of becoming, a victim of CSE.

**Justification.** Implementation of SB 855, PL 113-183, and other legislative mandates related to trafficking of children and youth in California has created ongoing workload that cannot be absorbed by current personnel. According to the department, without the additional staff, the Child Welfare Policy and Program Development Bureau within the department would not be able to implement its Strategic Plan for 2015-2018, which focuses on prevention of child abuse and neglect through implementation of public awareness campaigns, development and maintenance of a statewide prevention network, and measuring outcomes and data analytics.

**Staff Comment & Recommendation.** Hold open for further review.

**Questions**

1. DSS: Please provide an overview of the proposal.

**7. Proposals for Investment**

The subcommittee has received the following CWS-related proposals for investment.

**7A. Bringing Families Home**

**Budget Issue.** The Corporation for Supportive Housing and Housing California are requesting \$10 million to establish a county matching grant program for child-welfare involved families that may be experiencing homelessness.

Through a competitive application process, DSS would choose select counties to receive matching funds. Counties would use up to 10 percent of the funds to begin a process of data-sharing, meet reporting requirements and hire a liaison, a social worker dedicated to bridge child welfare and homeless systems, and to connect families to an existing assessment of a homeless family's housing needs. DSS would require counties to have functioning coordinated assessment and entry systems in place. Based on assessed needs, counties would use remaining grant funds to offer two types of assistance to families: (1) "rapid re-housing" for about 350-400 families, which helps families quickly exit homelessness and return to permanent housing, offering up to 18 months of rent and move-in assistance to cover move-in costs and case management, among other services, and (2) "supportive housing" for about 135-140 families to stabilize families with disabilities who have been homeless for at least a year or at least four times within the last three years, as well as families facing significant barriers to housing stability.

**Background.** The rapid re-housing model moves a family, or individual, experiencing homelessness into permanent, stable housing as quickly as possible. Since federal rapid re-housing funds have become available, communities nationwide use this model as a response to homelessness, with results that demonstrate lower rates of return to homelessness and better employment outcomes. Program components include housing identification (e.g, recruiting landlords to provide housing opportunities), or rental or move-in assistance.

**Staff Comment & Recommendation.** Hold open.

**7B. Relative and Foster Parent Recruitment, Retention, and Support**

**Budget Issue.** The County Welfare Directors Association of California requests \$30.2 million increase to support county Foster Parent and Kinship Care Recruitment, Retention and Support activities.

**Background.** According to CWDA, the proposed \$30.2 million investment would enable counties to: (1) target recruitment and support efforts to better match foster families and foster children; (2) direct services and supports to foster and kin caregivers; (3) and intensive family finding, engagement and support.

**Staff Comment & Recommendation.** Hold open.

**7C. Support to Children and Families Provided by Foster Family Agency Social Workers**

**Budget Issue.** As part of a broader coalition, the California Alliance of Child and Family Services requests \$18.9 million General Fund to fund the Foster Family Agency (FFA) social worker rate. According to the Alliance, the allocation would increase the social work component of the FFA rate by \$200/month, thereby raising the funded hourly wage for a Foster Family Agency social worker to \$24.47.

**Background.** Foster family agencies (FFAs) receive a monthly rate that consists of different components, including an administration rate, a social worker rate, a child increment rate, and the basic rate. The basic rate is adjusted annually to reflect changes in cost-of-living. The other components of the FFA rate were reduced by 10 percent in 2009 in order to achieve General Fund savings and have not been increased since then. Typically, the social work and administration components of the FFA rate are retained by the FFA to provide services and treatment to certified foster families.

**Staff Comment & Recommendation.** Hold open.

**7D. Transitional Housing Program-Plus (THP+) for Nonminor Dependents Aging Out of Care and to Homeless Youth**

**Budget Issue.** A coalition of organizations, including the John Burton Foundation and the California Coalition for Youth, request \$30 million to expand THP+ for non-minor dependents aging out of care and for homeless youth. Under this proposal, the eligibility criteria for THP+ would be modified to allow homeless youth, ages 18 to 24, to participate in the program. It is anticipated that the program expansion could allow the provision of safe, affordable housing and supportive services to 1,100 youth annually. The requested budget augmentation would be divided equally among the two populations to be served.

**Background.** In 2001, the Legislature established THP+s to provide safe, affordable housing and supportive services to youth who turned 18 years old, while in foster care or juvenile probation systems. Currently, THP+ is administered by 50 county child welfare agencies and operated by 79 non-profit organizations.

**Staff Comment & Recommendation.** Hold open.