



To: Texas Judges Hearing Child Protective Services Cases

From: Hon. John Specia (ret.), Jurist in Residence
Office of Court Administration

Date: March 20, 2011

RE: DFPS Foster Care Redesign

Q: **What is Foster Care Redesign?**

A: It is a plan that overhauls the way DFPS contracts with and pays foster care providers to improve service quality and coverage by making the system more outcome-focused. The idea is to keep foster children in their home communities and together with their siblings while ensuring they are safe and receiving appropriate and culturally sensitive services in the least restrictive environment.

Q: **How will this system change be implemented?**

A: During the current legislative session, DFPS will seek legislative approval to change the way it contracts with and pays foster care providers. Senate Bill 218, filed by Senator Nelson, requires DFPS to implement a re-designed system in accordance with a report issued by the Public-Private Partnership this past December. Link to the report here: http://www.dfps.state.tx.us/documents/Child_Protection/pdf/2011-02-14_FosterRedesignReport.doc

Q: **How will it change the way DFPS contracts with foster care providers?**

A: There are over 300 paid foster care providers currently under contract with DFPS through its "open enrollment" process, which is not competitive or needs-driven. Providers who deliver quality services and successfully serve children are not distinguishable from those providers who do not. This has resulted in services being located where they are not needed and a dearth of good services where the need is greatest. Consequently, children move multiple times and experience multiple disruptions in services. The re-design is intended to build capacity where it is most needed through competitive purchase of performance-based contracts that will only be awarded to entities that can provide a complete continuum of care that ensures that certain quality indicators are met, in the shortest amount of time appropriate, with the best outcome possible for the child and their family.

Q: **What is a "continuum of care?"**

A: A continuum of care is a network of foster homes, treatment centers, and services available in a geographically defined area, also known as a catchment area. This model is intended to provide DFPS and providers the flexibility to move a child within the continuum from one placement, such as a foster home, to a residential treatment center without moving them outside the provider's coverage area. Coverage areas under the re-designed system will be bound by geography in order to keep the children closer to family, the court of jurisdiction, service providers, and school.

Q: **Will the responsibilities of the CPS caseworker change?**

A: Somewhat. The caseworker will maintain case management responsibilities, but as the re-design rolls out, private providers will begin working directly with families to provide the services they need – both children and parents – while the children are in paid foster care.

Q: Who will appear in court and who will be accountable for meeting the needs of children and families on my docket?

A: The CPS caseworker will continue to be accountable to the court for case progress and updates. Although details are not yet worked out, it is anticipated that each lead contracting entity will be contractually obligated to be available to appear in court.

Q: How will DFPS and providers ensure the quality of care does not diminish?

A: The Public Private Partnership adopted the following quality indicators that will be built into the performance-based contracts that each provider will be required to consider in serving the child and their family (part of the continuum of care). DFPS will maintain oversight of the contracts to ensure effective management of lead and subcontractors to ensure quality of care:

- First and foremost, children are safe in their placements.
 - Children are placed in their home communities.
 - Children are served in the least restrictive environment that supports minimal moves for the child.
 - Connections to family and others important to the child are maintained.
 - Children are placed with siblings.
 - Services respect the child's culture.
 - Children and youth are provided opportunities, experiences and activities similar to those experienced by their non-foster care peers.
 - Children and youth are provided opportunities to participate in decisions that impact their lives.

Q: How will Foster Care Re-design be rolled out?

A: The roll-out will occur in stages. First, providers will build capacity to keep children within a continuum of care inside a specific catchment area. Second, providers will increase their services to parents and extended families of the children within their continuum of care. Finally, providers will begin receiving a full blended case rate and will be expected to re-invest unused dollars into services to further improve outcomes for children and families in their care. Each stage requires a plan to ensure collaboration and cooperation between DFPS and stakeholders and includes an evaluation component.

Q: How will providers be paid for foster care?

A: The current reimbursement rate based on the service level will be phased out. During Stage I, DFPS will implement a blended rate for each day of service provided to a child in paid foster care regardless of the service level or placement type. The blended rate is equal to the average rate paid across all placement types, adjusted for the various service levels of the children in care in the continuum. Eventually, the payment system will move to a blended case rate, which will be the blended rate paid for each day of service provided to each child, with rewards associated with reducing the average length of stay, which is intended to move children out of care as quickly as appropriate.

Q: Will the new system cost more money?

A: No. The redesigned system may not require nor preclude additional foster care funding, with the exception of what is necessary for normal entitlement-based caseload growth.