



## Agency Recommendation Summary

The Department of Children, Youth and Families (DCYF) requests \$53,940,000 (\$47,402,000 General Fund-State) and 1.0 Full Time Equivalent Staff (FTE) in the 2023-25 Biennium Budget to support kinship caregivers and family foster homes to meet the needs of children and youth in foster care. A root cause of placement instability in the foster care placement continuum is inadequate support services and financial assistance for caregivers, particularly when children have high levels of behavioral and mental health support needs. This funding request will result in more equitable redistribution of financial assistance and support services to kinship caregivers.

## Program Recommendation Summary

### 010 - Children and Families Services

The Department of Children, Youth and Families (DCYF) requests \$53,940,000 (\$47,402,000 General Fund-State) and 1.0 Full Time Equivalent Staff (FTE) in the 2023-25 Biennium Budget to support kinship caregivers and family foster homes to meet the needs of children and youth in foster care. A root cause of placement instability in the foster care placement continuum is inadequate support services and financial assistance for caregivers, particularly when children have high levels of behavioral and mental health support needs. This funding request will result in more equitable redistribution of financial assistance and support services to kinship caregivers.

### 090 - Program Support

The Department of Children, Youth and Families (DCYF) requests \$53,940,000 (\$47,402,000 General Fund-State) and 1.0 Full Time Equivalent Staff (FTE) in the 2023-25 Biennium Budget to support kinship caregivers and family foster homes to meet the needs of children and youth in foster care. A root cause of placement instability in the foster care placement continuum is inadequate support services and financial assistance for caregivers, particularly when children have high levels of behavioral and mental health support needs. This funding request will result in more equitable redistribution of financial assistance and support services to kinship caregivers.

## Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
<b>Staffing</b>						
FTEs	1.0	1.0	1.0	1.0	1.0	1.0
<b>Operating Expenditures</b>						
Fund 001 - 1	\$12,784	\$34,612	<b>\$47,396</b>	\$56,515	\$70,207	<b>\$126,722</b>
Fund 001 - A	\$1,650	\$4,850	<b>\$6,500</b>	\$8,072	\$10,086	<b>\$18,158</b>
Fund 001 - A	\$19	\$19	<b>\$38</b>	\$19	\$19	<b>\$38</b>
Fund 001 - 1	\$3	\$3	<b>\$6</b>	\$3	\$3	<b>\$6</b>
Total Expenditures	<b>\$14,456</b>	<b>\$39,484</b>	<b>\$53,940</b>	<b>\$64,609</b>	<b>\$80,315</b>	<b>\$144,924</b>
<b>Revenue</b>						
001 - 0393	\$1,650	\$4,850	<b>\$6,500</b>	\$8,072	\$10,086	<b>\$18,158</b>
001 - 0393	\$19	\$19	<b>\$38</b>	\$19	\$19	<b>\$38</b>
Total Revenue	<b>\$1,669</b>	<b>\$4,869</b>	<b>\$6,538</b>	<b>\$8,091</b>	<b>\$10,105</b>	<b>\$18,196</b>

## Decision Package Description

Since 2014, DCYF has faced increasing difficulty in finding stable placements for children and youth in foster care. A root cause of placement instability is an inadequate array of financial supports and services for caregivers, especially kinship caregivers. DCYF's current four-level system to assess appropriate levels of payment to caregivers is no longer working. The current system directs more resources to non-relative family foster homes than kinship caregivers. However, kinship caregivers are largely Black, Indigenous and People of Color (BIPOC) resulting in racial inequities across the system. Additionally, most kinship caregivers do not have access to the array of supports provided by Child Placing Agencies (CPAs.)

To address these problems DCYF is requesting funding to: 1. Replace the four-level system with a new seven level system better tailored to the support needs of kinship caregivers and children and youth with high levels of support needs; 2. Ensure all caregivers, especially kinship caregivers, have access to the same level of support services; 3. Expand access to educational supports for children and youth to support their placement; and 4. Increase rates for new foster home incentives paid to CPAs.

**The current array of services and supports isn't working:**

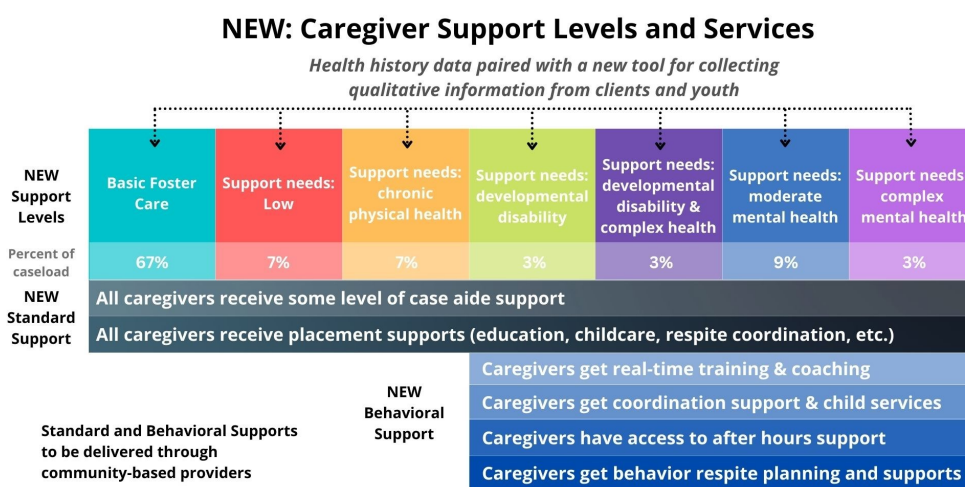
The current four-level foster care rate system does not capture the spectrum of complex support needs of children and youth in out of home placement. Caregivers caring for children and youth with higher levels of support needs are frequently assessed into lower levels of reimbursement and support. This is in part because the current four level system does not adequately capture the care needs of children and youth with mental and behavioral health challenges. At times, youth with lower levels of support needs are pushed up into more intensive placements (e.g. BRS), because there is not a family foster home or relative caregiver with the right level of support to meet their needs.

In addition, current tools for assessing caregiver support levels are outdated, based on caregiver report and subject to bias. Frequently, kinship caregivers downplay the support needs of children and youth in their care because they fear that the agency will remove the child and place them into the care of an unknown foster parent. This results in relatives, who are taking care of children with high levels of support needs, receiving lower levels of reimbursement and support. Under the current system, these same caregivers need to advocate with their caseworker to get additional support services like the help of case aides in the home or respite care. Caseworkers also regularly have inadequate information about the care needs of children at the time of placement.

Historically, DCYF has not had a standing mechanism for evaluating the allocation of resources by race and ethnicity. In 2018, DCYF contracted with the Department of Social and Health Services, Research and Data Analysis (RDA) to conduct a descriptive study to identify subgroups within the population of children and youth in out-of-home placement. The purpose was to reassess the four-level system and inform the development of an alternative structure based on real data about the support needs of children and youth. This analysis has revealed inequities in the way the current system allocates resources across levels of support needs and racial groups. Informed by this research and through stakeholder input, DCYF has developed a new seven-level system to address the caregiver supports necessary to care for children with varying needs.

**New foster care maintenance payment:**

In the new system, the outdated rate assessment system will be replaced with a new process utilizing health history data and structured interviews with parents, youth, and caregivers. DCYF will require \$9,329,000 (\$7,074,000 GF-S) in the 2023-25 biennium to restructure foster care maintenance payments across the new seven level system. DCYF expects the new system of payments and placement supports for caregivers will increase placement stability, decrease exceptional cost payments and decrease race and gender disparities in the allocation of resources when children have high levels of support needs. DCYF will continue to partner with RDA to track these outcomes. DCYF will also require \$569,000 (431,000 GF-S) for a contract with RDA to: 1. Develop a technology infrastructure that allows for the exchange of data; 2. Build data warehousing capabilities to allow for program monitoring and analytics; and 3. Carry out ongoing program monitoring and analytics; and 4. Develop a user-friendly interface for rate assessors to support the allocation of caregiver resources. DCYF will also require \$835,000 GF-S to provide project management and oversee the shift in systems and practice.



**New placement supports to all caregivers**

Additionally, the current system makes it difficult for foster parents to access the support services they need and nearly impossible for unlicensed caregivers. Today, foster care rates are not linked to supports for the caregiver, leaving caregivers to work with the child’s caseworker on an

individual basis to obtain access to respite care, case aides, or other supports. This results in inconsistent supports depending on the availability of those resources or knowing to ask for them. Most kinship caregivers also do not have access to the placement supports that many licensed, non-relative family foster homes receive through Child Placing Agencies (CPAs).

Under the new system, all caregivers will be authorized to receive the same level of support services through a community-based organization regardless of whether they are relatives or non-relatives, licensed or unlicensed caregivers. When children and youth have lower levels of support needs, caregivers will be automatically authorized to receive “standard support” which will include some level of case aide support and placement supports like service coordination, child care coordination and respite coordination. When children and youth have higher levels of support needs caregivers will be automatically authorized to receive “standard support” plus additional “behavioral support.” Behavioral support will include real-time parent training and coaching, coordination support, after hours behavioral support and behavioral respite planning. DCYF will require \$40,907,000 (36,721,000 GF-S) to contract with community-based organizations to provide this array of support service, and \$304,000 (\$298,000 GF-S), ( to hire 1.0 FTE to oversee and manage new contracts and provide quality assurance with community-based organizations to provide these services.

### **Expand access to educational support**

Children and caregivers need support to promote school stability or to ease the transition when a move must occur. In addition to experiencing trauma, many children and youth in foster care have high educational needs, including learning and developmental disabilities. To stabilize and support the placement, children and their caregivers need help in accessing educational supports and special education services. In some cases, they also need help in navigating disciplinary matters to maintain enrollment.

DCYF’s Educational Advocacy program provides direct advocacy, consultant, and referral services for youth in care. In the 2022 Supplemental Budget, DCYF received \$460,000 in one-time funds to expand the educational advocacy program, prioritizing youth with high educational needs. DCYF requests \$460,000 in on-going funds to improve educational outcomes for youth in DCYF care and support caregivers to stabilize placements.

### **Increase rates to Child Placing Agencies for certify foster parents**

Child Placing Agencies are agencies licensed by the state to recruit family foster homes and certify those homes for licensure. DCYF pays a \$206 New Foster Home Incentive fee for each new foster home certified for licensure. This rate assumes the time and effort to certify a home is 4 hours. DCYF believes the time needed to be 40 hours. To better support this important work by CPAs, DCYF is requesting \$1,075,000 GF-S to increase this fee to \$2,105.

## Assumptions and Calculations

### **Expansion, Reduction, Elimination or Alteration of a current program or service:**

This decision package requests to update the outdated rate assessment and provide caregivers with equal access to supports to ensure the system is equitable and addresses the needs of children and youth.

#### **Education Advocate Extension**

DCYF requests \$460,000 for FY24; for FY25 and after, expenditures are \$460,000.

DCYF is requesting for the additional education advocate costs provided in the 2022 supplemental budget of \$460,000 to become ongoing costs for FY24 and FY25.

### **Detailed Assumptions and Calculations:**

#### **New Foster Care Maintenance Payments:**

\$9,329,000 (\$7,705,000 GF-S) to create a new seven level system that will provide support using health history data a structured interviews.

#### **RDA Contract:**

\$569,000 (\$431,000 GF-S) to support the new foster care seven level system.

#### **Project Management:**

\$835,000 GF-S to oversee the shift in in systems and practice to move to a seven level foster care system.

#### **Caregiver Placement Supports:**

\$40,907,000 (\$36,721,000) to create a new system in which all caregivers will be authorized to receive the same level of support services through a community-based organization regardless of whether they are relatives or non-relatives, licensed or unlicensed caregivers.

#### **Program Staff for Caregiver Placement Supports System:**

\$304,000 GF-S for 1.0 Management Analyst 5

#### **Education Advocate Extension:**

\$920,000 GF-S to continue this program, current funding is one-time funding in the 21-23 biennium.

#### **Increase Rates to Child Placing Agencies:**

\$1,075,000 GF-S changing the rate from \$206 to \$2,105 per certification. The current rate model allocates 4 hours per certification, the new rate model will allocate 40 hours per certification.

### **Workforce Assumptions:**

DCYF is requesting 1.0 Management Analyst 5 to oversee the implementation of the new system that will provide caregivers access to support services directly through a community-based organization. This position will be responsible for managing these new contracts with the community- based organization and provide quality assurance.

## Strategic and Performance Outcomes

### **Strategic Framework:**

DCYF's strategic plan calls for the agency to reduce the number of children in out of home care by half. In order to accomplish this this goal, we must reduce the length of stay for children and youth in foster care. These new placement supports for caregivers will help stabilize children and youth in placement especially when they are placed with kinship caregivers or have high levels of support needs. More stable placements decrease length of stay and support children and youth to achieve permanency more quickly.

**Performance Outcomes:**

This proposal will reduce the number of children in out of home care by: 1. Reducing the length of stay in foster care; 2. Reducing the number of times children and youth move placements, especially those with high levels of support needs; and 3. Increase the number of children placed with relatives by better support relative caregivers.

**Equity Impacts**

**Community outreach and engagement:**

This proposal is the result of a multi-year effort to redesign foster care rates and services to caregivers. DCYF conducted over 60 stakeholder meetings to solicit input to inform the proposal. Groups include Child Placing Agencies, foster parents, kinship caregivers, children and youth in foster care, the Child Welfare Advocates Coalition, the Washington Association for Children and Families, and many others.

**Disproportional Impact Considerations:**

This proposal will address disproportionality in the distribution of financial resources and support services to caregivers. It will also allow DCYF to track and analyze disproportionate impacts, in order to make systemic changes to allocate supports more equitably.

**Target Populations or Communities:**

The current foster care rate system directs more resources to non-relative, mostly white family foster homes. However, children and youth who are Black, Indigenous and People of Color in foster care are more likely to be placed with kinship caregivers. Resources are allocated based on subjective caregiver report and the department has no standing mechanism to evaluate resource allocation based on race and ethnicity.

Under the new system funded by this proposal, resource allocation will be informed by medical diagnosis data. It will also allow the department to regularly measure systemic bias and adjust the system to address it. Additionally, the new system will allocate contracted support services to all caregivers, including both licensed and unlicensed caregivers to address inequity in the provision of services.

## Other Collateral Connections

### ***Puget Sound Recovery:***

Not applicable.

### ***State Workforce Impacts:***

Not applicable.

### ***Intergovernmental:***

This proposal will increase the resources that are provided to foster homes licensed by tribal governments with an approved Title IV-E plan and Tribal Child Placing Agencies that license their own family foster homes when the child is in the care and placement authority of the department. Tribal governments may also become contracted providers for the new array of supports and services the department will build. DCYF has sought input on this proposal from tribal governments through the Tribal Policy Advisory Committee's Indian Child Welfare Subcommittee. Some tribes have expressed initial interest in becoming contracted providers.

### ***Stakeholder Response:***

DCYF has conducted over 40 stakeholder meetings seeking input into this project and incorporated recommendations and considerations from Child Placing Agencies, foster parents, kinship caregivers, parents and youth with lived experience in foster care.

**Child Placing Agencies:** Are supportive of the expansion of services and supports, including the increased rates for certifying new homes. Some concerns over how the expansion of services will impact their business model as service providers. These concerns vary from provider to provider.

**Keeping Families Together Coalition:** Supportive of the expansion of services and supports to kinship caregivers.

**Child Welfare Advocacy Coalition:** Supportive of the expansion of services and supports to kinship caregivers.

**Kinship Caregiver Oversight Committee:** Supportive of the expansion of services and supports to kinship caregivers.

**Partners for Our Children:** Supportive of the expansion of services and supports to kinship care providers.

**Washington Association for Children & Families:** Are supportive of the expansion of services and supports. Some concerns over how the expansion of services CPA's business models as service providers.

### ***State Facilities Impacts:***

Not applicable.

### ***Changes from Current Law:***

No changes in law required.

### ***Legal or Administrative Mandates:***

Not applicable.

## IT Addendum

***Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?***

No

## Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$92	\$92	<b>\$184</b>	\$92	\$92	<b>\$184</b>
Obj. B	\$30	\$30	<b>\$60</b>	\$30	\$30	<b>\$60</b>
Obj. C	\$1,204	\$1,121	<b>\$2,325</b>	\$1,128	\$1,135	<b>\$2,263</b>
Obj. E	\$2	\$2	<b>\$4</b>	\$2	\$2	<b>\$4</b>
Obj. G	\$2	\$2	<b>\$4</b>	\$2	\$2	<b>\$4</b>
Obj. J	\$7	\$0	<b>\$7</b>	\$0	\$0	<b>\$0</b>
Obj. N	\$13,097	\$38,215	<b>\$51,312</b>	\$63,333	\$79,032	<b>\$142,365</b>
Obj. T	\$22	\$22	<b>\$44</b>	\$22	\$22	<b>\$44</b>

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