

**Shared Family Care (SFC) Program
Title IV-E Waiver Request Narrative**

Administering Agency

Wisconsin Department of Health and Family Services
Division of Children and Family Services
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The Wisconsin Department of Health and Family Services (Department) is an umbrella agency headed by a Cabinet-level Secretary. The Department has responsibility for the human service program areas of child and family services, mental health, developmental disabilities, substance abuse services, long-term support, aging services, Medicaid and public health.

Children and family service programs are managed in the Division of Children and Family Services (DCFS). DCFS is the unit within the Department responsible for Title IV-B, Title IV-E, CAPTA and the Chafee Foster Care Independence Program (CFCIP).

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Problem Statement

In urban areas, many families served by the public child welfare program face significant barriers to maintaining a safe home for their children. These barriers include poverty, substance abuse, mental health issues, domestic violence, poor parenting skills, and limited ability to utilize community support services. As families struggle with these barriers, children can be neglected and abused which results in removal of the children from home and placement in foster care.

The same barriers that result in the removal of children from the home create challenges to reunification of the family. The biological parents, typically a single mother with the father absent from the home, need services to address the behaviors and circumstances which gave rise to the neglect or abuse. The biological parents also need support to make personal change and improve their capacity to care for their children. While biological parents can be provided with mentors to help with the change process, mentoring services can be of limited effectiveness if parents do not have the opportunity to show improvement with their own family. The emotional distress caused by the separation of parents and children inherent in foster care can heighten the challenges to reunification, resulting in biological parents giving up on themselves and failing to meet the conditions for return of the children to the home.

Foster parents are in an ideal situation to work with biological parents by serving as a role model for how to effectively care for the children. Foster parents can be ideal mentors and help biological parents to achieve personal change. But the separation from the children can create tension between the biological parents and foster parents and make it difficult for foster parents to work with the family unit as a whole. The uniform foster care rate structure also does not provide financial incentives for foster parents to undergo training they need to be effective as mentors or reward foster parents for their efforts in working with the biological parents.

The Shared Family Care (SFC) Program is a professional approach to foster care which uses specially-trained foster parents to work with both biological parents and children in maintaining the family unit. SFC foster care providers will work with biological parents on-site at the foster home with the children to develop the parents' capacity to safely care for their children. The SFC Program will minimize the separation between biological parents and children, allowing for more effective mentoring of the parents. Through participation in the SFC Program, biological parents will improve their parenting skills and be able to use community supports upon return of their children to the home. Through the use of SFC foster parents in a professional manner, the program will result in more timely reunification of families and prevent re-entry of children into out-of-home care.

Target Population

The SFC Program will be implemented in Milwaukee, Wisconsin by the Bureau of Milwaukee Child Welfare, which is the public child welfare agency for Milwaukee County. Milwaukee is the largest and most diverse urban area in Wisconsin, and similar to other large urban areas nationally, extensive poverty exists in portions of Milwaukee and these parts of the city generate most of the child welfare caseload for the county. Milwaukee County accounts for about one-half of the total statewide out-of-home caseload. Attachment 1 includes demographic information from the 2000 Census for the City of Milwaukee.

Milwaukee County is divided into five service regions or sites for child welfare services and the SFC Program will initially be implemented at Site 3, which encompasses the north part of the City of Milwaukee and the northeast portion of Milwaukee County. The zip codes included in Site 3 are 53202, 53203, 53209, 53211, 53212, 53216, 53217, 53223, and 53224. The caseload served at Site 3 is predominantly from inner-city neighborhoods with the majority of children placed in out-of-home care being persons of color.

The Site 3 caseload reflects many groups of siblings removed from the home due to neglect or physical abuse. On average, the families served at Site 3 have 2.38 children and a single female parent. The target population for the SFC Program will be single-parent families of 2 or more children with the potential for reunification, although families with one child may also be served. Families participating in the program will be receiving child welfare services due to neglect and physical abuse that is not severe in nature. The SFC Program will not serve cases involving severe physical abuse or sexual abuse where contact between the biological parents and the children would jeopardize the safety of the children.

The families selected to participate in the SFC Program will have the following characteristics:

- At least one biological parent who is trying to regain custody of his/her children
- The parent has experienced substance abuse problems, mental health issues or domestic violence and demonstrates a desire to participate in a treatment or services
- The parent expresses a desire to care for the children
- The parent agrees to work on an individualized family plan
- The parent is willing to work closely with the SFC provider host family
- The parent agrees to participate in SFC and signs a Responsibilities and Rights Agreement

Bureau of Milwaukee Child Welfare Program Structure

The Bureau of Milwaukee Child Welfare (BMCW) directly manages child welfare services in Milwaukee County, the largest county in the state. BMCW delivers child protection, in-home safety, foster care, adoption and independent living services in Milwaukee County using state staff in partnership with contracted community-based service providers. Services are delivered in a decentralized manner, with the county divided into five service areas or sites and each site providing a full range of services in its service area. Some services, such as program administration and foster home recruitment and licensing are performed centrally to support the five sites.

Children typically enter the Milwaukee child welfare system following an investigation of an abuse or neglect report. The BMCW initial assessment unit has primary responsibility for intake of children who are placed in out-of-home care. Initial assessment workers assess the safety of the situation, remove children from the home where necessary, and transfer the family case to ongoing case managers who do permanency planning and manage the out-of-home care placements of the children. Selection of families to participate in the SFC Program will begin as cases are transferred from initial assessment to ongoing case management.

Innovative Family Partnerships, Inc. (IFPI) is the provider of safety and ongoing case management services at Site 3. As the ongoing case management provider, IFPI will have the lead role in operating the SFC Program. As families are referred to IFPI for case management from the Initial Assessment unit at Site 3, cases will be screened to determine potential participants for the SFC Program. All families participating in the program will have an IFPI ongoing case manager responsible for permanency planning and service coordination and families will be eligible for all services regularly available through the BMCW service network.

Summary of SFC Program

Attachment 2 provides a detailed description of the SFC Program. Attachment 3 is the policy and procedure manual currently being used to implement the SFC Program in Milwaukee.

The SFC Program will be implemented on a small scale at Site 3 with the potential for the program to be expanded to other BMCW Sites. The program will concentrate on families affected by substance abuse, mental health and domestic violence issues with the potential for reunification. The host families will receive specialized training and be licensed as treatment foster homes.

The program will initially involve 10 to 20 foster parents as SFC host families. Approximately 10 host families will be ready at the initial implementation of the program and 10 additional families will be brought on during the first year. At the current time, between 30 to 50 family cases are transferred to ongoing case management each month in Milwaukee, so at each site there is approximately 6 to 10 new family cases each month. The cases will be screened to determine potential participants in the SFC program. As placements are made with the initial group of host families, other host families will be recruited and trained to be SFC providers. When the SFC program is fully operational with 20 host families and placement “slots” with providers become available on a regular basis, the program could see 2 to 3 new placements per month. Assuming an average of nine months for successful completion of the program, the program is expected to serve 100 to 120 families over the course of the five-year waiver period. An equal or greater number of families will be assigned to the comparison group for evaluation purposes.

The number of host families will be the primary constraint on the number of families served by the SFC Program as extensive recruitment is needed to find suitable host families and the SFC Program Coordinator will provide host families with individualized support. Program Coordinators would be needed at other BMCW Sites to expand the SFC Program. If the program is expanded beyond Site 3 in Milwaukee following the initial implementation, the numbers of families participating in the program would increase. If the number of participants increases, the comparison group will be increased as well.

The host families will offer residential or non-residential service to the birth parent, depending on the capabilities of the host families and the biological parent’s circumstances and preferences. The children will be placed with host families through court-approved foster care placements. Biological parents will receive mentoring services from the host families on-site at the SFC foster home with the children present, allowing for the host families to work with the family unit. Under the non-residential portion of the program, the biological parents will not reside with the host families. Under the residential portion of the program, the biological parents will reside with the host families for an extended period. All biological parents will undergo background checks and be cleared to reside in the foster home.

SFC host families will offer non-residential or residential service, depending on the willingness and capacity of the host family to serve biological parents on a residential basis and the host family’s housing situation. Biological parents may begin the SFC Program on a non-residential basis and develop into residential placements depending on the circumstances of the case. SFC host families will receive a monthly stipend based on whether they provide non-residential or residential service with an additional amount of payment based on the number of persons in the placement, including an amount for the biological parent during months the parent is residing in the SFC foster home.

The biological parents must voluntarily agree to participate in the program and comply with a rights and responsibilities agreement. Biological parents will be carefully matched with host families, making visits with the host family and discussing the host family's house rules prior to completing the agreement. To continue participating in the program, biological parents must abide by their rights and responsibilities agreement as well as any court-ordered conditions. Families will receive BMCW services through their ongoing case manager in addition to mentoring and other support from the SFC host family.

SFC placements are expected to last on average nine months with the end result being successful reunification of the family in their own home. Under regular BMCW procedures, families will receive follow-up services for three months following return of the children. SFC host families will remain accessible to the biological parents as a support resource.

In the event that biological parents do not fulfill their agreement, drop out of the program or other circumstances develop that end their participation in the program, the SFC placement will generally be ended and the children transferred to another foster care provider. The SFC host family will work with the new foster parent to transition the children to the new placement.

Program Goals and Outcomes

The SFC Program is designed to facilitate timely reunification of children with their biological parents and prevent the re-entry of children into out-of-home care by strengthening the capacity of parents to safely care for their children and utilize community support services.

Through the SFC Program, biological parents will receive intensive mentoring by the SFC host families and separation anxiety will be reduced, minimizing the trauma of out-of-home care placement for the children. As a result, the family will make significantly faster progress in addressing the personal issues that resulted in the neglect or abuse the children. The biological parents will demonstrate improved capacity to care for their children and increased ability to use sources of community support, making it possible for BMCW to recommend reunification much sooner than would be likely if the children were placed in regular family foster care. Through participation in the program, biological parents will be better able to manage the stress of caring for their children and cope with crisis situations that could otherwise result in re-entry of the children into out-of-home care. Children will also maintain better relationships with their parents and exhibit fewer behavioral issues upon reunification.

Outcomes for SFC Program participants will be measured using a comparison group of similar families with children placed in regular family foster care. Child welfare program data will be used to measure permanency outcomes for children, timeframes to achieve permanency, subsequent abuse or neglect of the children, and any re-entry of children into out-of-home care. SFC Program participants are expected to show shorter timeframes to permanency, lower rate of repeat maltreatment, and reduced re-entry rates. Follow-up interviews will be used to collect information about the circumstance of the families after participation in the program.

Federal Cost Neutrality

The SFC Program will demonstrate federal cost neutrality for Title IV-E maintenance and administrative costs. Attachment 4 contains a detailed description of the proposed cost neutrality methodology.

The SFC Program uses an alternate payment structure for the SFC host families. The maintenance payments will be higher when computed on a monthly basis than regular family foster care, but the higher monthly costs will be offset by shorter foster care episodes and reduced re-entry of children into out-of-home care.

The SFC Program will result in higher administrative costs initially for foster care provider training and program coordination in matching families with host families. The higher initial costs will be offset by case management cost savings attributable to the shorter foster care episodes and reduced re-entry. Attachment 3 identifies specific types of administrative costs for consideration.

Other costs such as services to families and utilization of federally-funded services will be tracked to determine the costs and benefits of the SFC Program, but these other costs will not affect Title IV-E cost neutrality.

The Division of Children and Family Services will work with the Bureau of Fiscal Services within the Department of Health and Family Services to collect all necessary fiscal information for determining Title IV-E cost neutrality. Wisconsin will submit cost information on the SFC Program in the prescribed reporting format for IV-E waivers.

Should the SFC Program result in any net IV-E waiver savings over the life of the IV-E waiver demonstration project, it is expected that the waiver savings will be reinvested to expand the scope of the SFC program in Milwaukee County and potentially other areas of the state.

Title IV-E Waiver Request

Most of the SFC Program activities can be accomplished under current federal and state law and no special state legislation is necessary to implement the program. Training and licensing of SFC foster parents, the placement of children, the participation of the biological parents, and the ongoing case management and other services to the families can be done under existing child welfare program authority and operating procedures.

The Title IV-E waiver request pertains to IV-E reimbursement of maintenance costs for the payments to SFC providers. The payment structure for the SFC Program differs from the uniform foster care structure in Wisconsin and the payments recognize both the care provided to the children as well as the work with the biological parents. Given the unique nature of the SFC provider payments, the IV-E waiver issue pertains to claiming IV-E reimbursement of the SFC provider payments and deviating from the uniform foster care rate structure.

The IV-E regulatory requirements that Wisconsin is requesting be waived are the definitions of *foster care* and *foster care maintenance payments* as defined in 42 CFR 1355.20. This section of CFR defines *foster care* as “24 hour substitute care for children placed away from their parents or guardians”. In the SFC Program, biological parents are expected to remain in close contact with the children including residing in the same foster home in many cases. This living arrangement option is an integral piece of the SFC Program and residential SFC placements should qualify as foster care placements for maintenance payment purposes.

The waiver of the definition of *foster care maintenance payments* and the costs that the foster care maintenance payment may cover is necessary to allow flexibility in the payments to SFC providers. The provider payments include a stipend and auxiliary living expense amount. Attachment 5 is a detailed description of the SFC provider payment structure.

It is not necessary to request a waiver of the *foster home* definition because the SFC foster homes will meet all of the Wisconsin requirements for licensed foster homes. In fact, the host family homes will meet more stringent criteria applicable to the Treatment Foster Care License.

State Development of Waiver Request

The SFC Program proposal was developed in response to a proposal from Innovative Family Partnerships, Inc. (IFPI) to develop foster parents to serve as mentors and facilitate the reunification of families. Mentor projects have been done in several states with promising results and the SFC Program takes the mentor approach a step further by developing SFC providers as a specialized type of placement within the Milwaukee child welfare program and by offering both non-residential and residential service options.

A workgroup was established in August 2000 to develop the proposal for implementation at Site 3 in Milwaukee. The workgroup addressed all aspects of the proposal, including recruitment of foster parents, placement of families, and evaluation of program outcomes. The SFC Program policy and procedure manual is a result of the workgroup’s efforts. Orientation has been provided by IFPI to other staff in Milwaukee about the program.

Several public presentations were made during late 2000 and early 2001 to the community and key stakeholders such as foster parents and judicial system representatives. A presentation was also made to the BMCW Partnership Council, a statutorily-required oversight body including representatives from community organization, the judicial system, county government, and state government. Attachment 6 is letter from IFPI describing the collaboration with the Milwaukee County judicial system.

The state’s intent to seek a IV-E waiver for the SFC Program has been widely publicized and information shared with the Governor’s Office, the State Legislature and other interested parties. A public press conference was held in Milwaukee on June 27, 2001 to publicize the program.

Wisconsin does not have any other IV-E waiver projects operational at this time. The SFC Program will be the first IV-E project for the state. The state is considering other potential IV-E waiver projects, including subsidized guardianship. Any additional waiver requests will be coordinated with the SFC Program, including how cost neutrality is determined and assignment of cases for evaluation purposes.

Wisconsin does not have any court settlements in place that would affect operation of the SFC Program. Litigation is pending with BMCW as the plaintiff, but the resolution of the litigation is not expected to affect the SFC Program.

Assurances for Waiver Request

Wisconsin provides the following assurances in making this waiver request:

- The SFC Program will assure the safety of children and protect the rights of children and their families. Safety of children is a paramount concern that will guide all services.
- The SFC Program will ensure permanency for children through reunification, adoption, guardianship or other appropriate permanency goal. Foster care is a temporary setting that should lead to permanency as quickly as possible. The operation of the SFC Program will be consistent with sound permanency planning efforts.
- The SFC Program will be cost neutral with respect to federal Title IV-E funds for the duration of the waiver period.
- The SFC Program will not impair the eligibility of children or families for other federal benefits.
- The SFC Program is focused on improving outcomes for the children and families who will be served and the efficacy of the program will be rigorously evaluated to determine how the program could be expanded and replicated elsewhere in the state and the nation..
- The operation of the SFC Program will be open for public comment and scrutiny.
- Health insurance coverage through the state Medicaid program is provided to all children in foster care and children receiving adoption assistance.

Waiver Period and Effective Date

The Title IV-E waiver for the SFC Program is requested for a period of five years, from 2001 through 2006. Provided the evaluation of the SFC Program shows the program is effective, Wisconsin would likely seek to renew the waiver and expand the SFC Program to additional areas of the state.

Wisconsin requests an immediate effective date for the waiver. The SFC Program is currently being implemented in Milwaukee for all aspects except the Title IV-E reimbursement of payments to SFC providers. The Division of Children and Family Services has an evaluation contract in place with the University of Wisconsin-Milwaukee to evaluate the program and can work with University staff to submit an evaluation plan for federal approval.

Evaluation of SFC Program

Wisconsin will conduct a rigorous evaluation of the SFC Program, including the outcomes of the program on permanency, re-entry into out-of-home care, and the ability of biological parents to safely care for their children. The evaluation will also study the recruitment and retention of host families as SFC providers. The evaluation requirements for IV-E waivers include a process evaluation, outcome analysis and cost-benefit analysis. In addition, program costs must be measured to determine federal cost neutrality.

The process and outcome analyses will be conducted by the University of Wisconsin-Milwaukee School of Social Welfare. Gwat-Yong Lie, Ph.D. will be the principal investigator for the evaluation assisted by Judith Rozie-Battle, MSW, JD. Gwat-Yong Lie is an Associate Professor with the School of Social Welfare who is very familiar with the Bureau of Milwaukee Child Welfare, including the service delivery structure and data sources. She and Judith Rozie-Battle have been participating in the SFC Program workgroup to address evaluation issues. The School of Social Welfare is also conducting another evaluation of BMCW services and the data collection mechanisms used for that study, such as surveys of case workers and interviews with families, will be adapted for use with the SFC Program evaluation.

Wisconsin staff consulted with James Bell Associates for technical assistance on the evaluation design, including holding a teleconference in April 2001 to discuss evaluation issues. Attachment 7 is a preliminary evaluation design proposal from the University of Wisconsin-Milwaukee. The evaluation design proposal states the evaluation objectives. Wisconsin will work with federal and James Bell Associates staff to develop a detailed evaluation proposal for federal approval.

The evaluation methodology includes the use of an experimental and a comparison group. Attachment 3, the SFC Program description, describes the assignment process and Attachment 8 is a flow chart showing in detail how cases will be assigned to the experimental and comparison groups for evaluation purposes. An evaluation contract is in place with the University of Wisconsin Milwaukee and the Division of Children and Family Services is working on an enhancement to the Wisconsin child welfare database (WiSACWIS) to have an automated mechanism for tracking evaluation cases.

The cost/benefit analysis of the SFC Program will be conducted by the Evaluation Section of the Office of Strategic Finance, in the Department of Health and Family Services. The Evaluation Section in the Office of Strategic Finance conducts program evaluations for the Department and provides technical assistance on evaluations to Divisions within the Department. The Evaluation Section has been involved with evaluations required for federal waivers under Title XIX (Medicaid) and the former Title IV-A (Aid to Families with Dependent Children). The Division of Children and Family Services will work with other Divisions and state agencies to collect cost information regarding other federal programs such as Medicaid for the cost/benefit analysis.