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Overview on Foster Care Group Homes

LEGISLATIVE ANALYST'S OFFICE

Presented to:
Assembly Committee on Human Services and
Assembly Select Committee on Foster Care
Hon. Jim Beall, Chair

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Child Welfare Services and Foster Care

☑ ***Purpose.*** The purpose of California's child welfare system is to prevent, identify, and respond to allegations of child abuse and neglect.

☑ ***Program Summary.*** Families in the child welfare system receive services so that (1) children can remain safely in their homes and/or (2) children who are temporarily removed from their homes can reunify with their families. For cases in which children are unable to reunify with their families, efforts are made to find them a permanent home through adoption or guardianship.

☑ ***Placement Types.*** If a child is removed from a home due to abuse or neglect, county social workers may place the child in a foster family home (FFH), foster family agency (FFA), or group home (GH).

- FFHs are licensed residences that provide care for no more than six children.
- FFA placements are private, nonprofit corporations that provide treatment and certify placement homes for children with higher level treatment needs. The FFAs are designed to be an alternative to GHs.
- GH placements provide 24-hour supervision in a structured environment. Facilities range from small (up to six foster children) to large facilities that house many children. This is the most intensive and costly form of care designed to support children with the most significant needs.

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Foster Care Caseload

Average Monthly Caseload by Placement

	2001-02	2010-11	Change Amount	Change Percent
Foster family homes	47,287	27,186	-20,101	-43%
Foster family agencies	17,231	16,295	-936	-5
Group homes	10,620	7,733	-2,887	-27
Seriously emotionally disturbed	1,314	1,797	483	37
Totals	**76,452**	**53,011**	**-23,441**	**-31%**

☑ ***Caseload Decline.*** The number of children in Foster Care has declined by more than 30 percent over the past decade. There were about 23,000 fewer children in Foster Care in 2010-11 compared to 2001-02.

- FFHs saw the largest decline in placements, followed by GHs.

☑ ***Caseload Distribution.*** Of the 53,000 children in Foster Care, about 50 percent are in FFHs. About 30 percent are placed in FFAs and about 15 percent are placed in GHs.

☑ ***Seriously Emotionally Disturbed (SED) Cases.*** Children are placed in Foster Care due to parental abuse and neglect. Conversely, children are found to be SED due to their own emotional or behavioral problems. Although there is no court adjudication involved in these cases, most so-called "AB 3632" SED children are placed in intensive GHs.

- Pending legislation, SB 85 (Committee on Budget and Fiscal Review) would repeal the state mandate requiring the Department of Social Services (DSS) and county welfare departments to provide board and care for SED children beginning in 2011-12. Local school districts would instead be responsible for their out-of-home placement.

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Foster Care Costs

2010-11	Average Monthly Payment Per Non-Federal Case	Total Expenditures (In Millions)	
		Amount	Percent
Foster family homes	$832	$161	17%
Foster family agencies	2,139	208	22
Group homes	7,396	466	50
Seriously emotionally disturbed	7,811	100	11
Totals		**$934**	**100%**

☑ ***Placement Costs.*** The GH placements make up about 15 percent of Foster Care placements and account for about 50 percent of the total Foster Care costs.

☑ ***Reimbursement Rates.*** The GH reimbursement rates are based on the level of care and services provided and ranged from $2,118 to $8,974 per month in 2010-11.

☑ ***GH Rate Increase.*** The GH rates increased by an average of 32 percent as a result of a February 2010 court order to adjust the rates to reflect the California Necessities Index increases from 1990-91 through 2009-10.

☑ ***Working Group.*** Chapter 725, Statutes of 2010 (AB 1612, Committee on Budget) directed DSS to establish a working group to develop recommendations on setting reimbursement rates for GH providers.

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Foster Care Costs *(Continued)*

- ***GH Moratorium.*** There are about 400 GH programs in California. Pending legislation, AB 106 (Committee on Budget) extended a moratorium on new GH programs to January 1, 2013. The DSS may grant exceptions on a case-by-case basis.

- ***Methodology Note.*** The Foster Care costs cited above are based on the 56 non-waiver counties and do not include costs for Los Angeles and Alameda counties, which are participating in a federal Title IV-E waiver. The funding level shown for SED placements reflect a veto of $66 million by the previous Governor from the 2010-11 spending plan.

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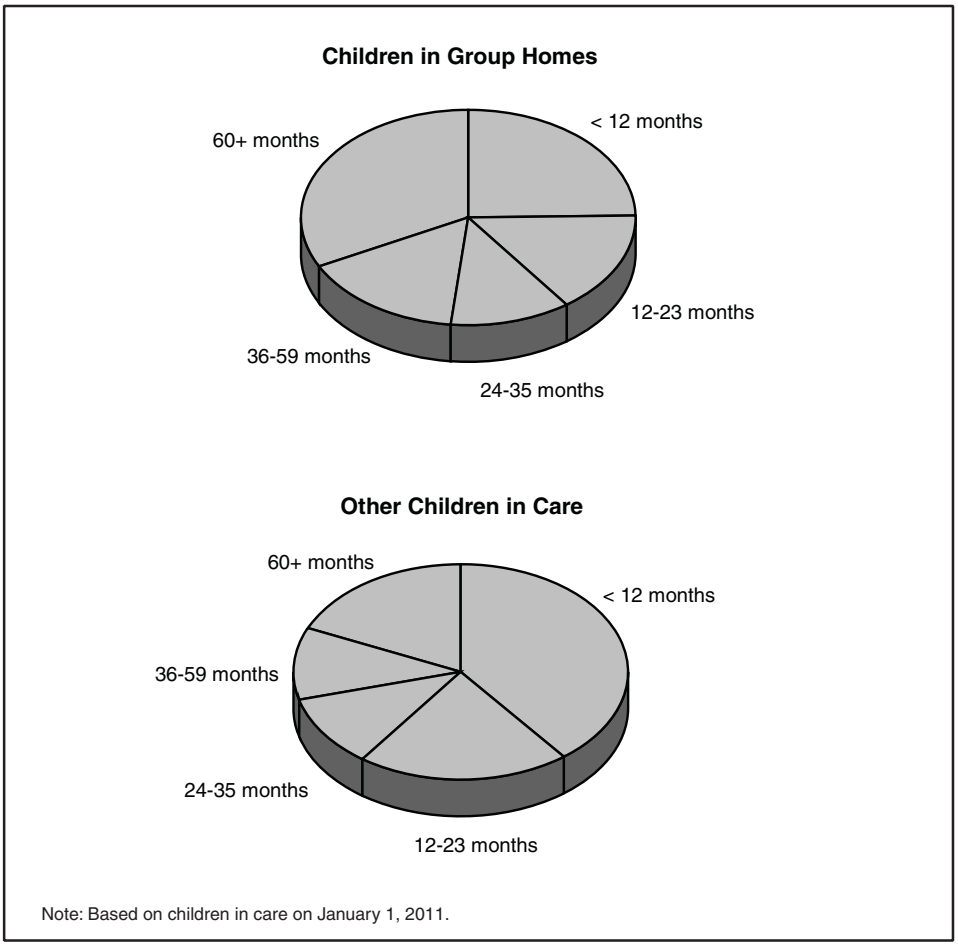
Time in Care



Note: Based on children in care on January 1, 2011.

☑ ***Length of Time in Foster Care.*** Compared to the rest of the Foster Care population, a greater percentage of children in GHs had been in Foster Care for more than a year.

☑ ***Two Years or More in Care.*** Of the children in GHs, 60 percent had been in care for two years or more. In comparison, 40 percent of the non-GH population had been in care for that long.

☑ ***Five Years or More in Care.*** Thirty-two percent of the children in GHs had been in care for five years or more, compared with 18 percent of the non-GH population.

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GH Reforms

☑ ***Initiatives Targeting GHs.*** The state has implemented a number of policies designed to reduce the lengths of stay in GHs and move children to lower levels of care.

- ***Wraparound.*** So-called "wraparound" services provide treatment and support to children and their families so that children can be placed in family settings instead of GHs. Services may address mental health, education, family, and other needs. Wraparound services target children who are placed or are at risk of being placed in high-end GHs. Most counties offer wraparound services.
- ***Intensive Treatment Foster Care (ITFC) and Multi-Treatment Foster Care (MTFC).*** The ITFC and MTFC programs serve children with behavioral and emotional issues who would otherwise have been placed in a GH.
- ***Residentially Based Services (RBS).*** The RBS program provides intensive, short-term treatment to high-needs children living in GHs. Services are front-loaded with the goal of reducing lengths of stay. When a child leaves a GH for a family setting, the child and family continue to receive support services. Four counties are currently participating in the five-year pilot demonstration project.

☑ ***Other Child Welfare Services (CWS) Initiatives.*** Other child welfare initiatives may also have an impact on the GH population.

- ***Title IV-E Waiver.*** Under a federal waiver, Alameda and Los Angeles counties receive a capped funding allocation but have greater flexibility in how they can spend federal Title IV-E dollars.
- ***Family Finding.*** Through Family Finding, social workers locate relatives of children in Foster Care for possible placement.

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Other Considerations

Recent legislation and court actions related to child welfare may have an impact on the GH population.

☑ ***Extended Foster Care.*** Chapter 559, Statutes of 2010 (AB 12, Beall) extends eligibility for Foster Care to youth up to age 19 beginning in January 2012. Of the 4,500 youth who emancipated from Foster Care in 2010, about 700 were living in GHs at the time of their exit.

- ***Key Question:*** How can the state assist youth in transitioning to a less restrictive environment under AB 12?

☑ ***FFH Rate Increase.*** As a result of a recent court order, rates for FFHs increased an average of 31 percent.

- ***Key Question:*** Will the higher FFH rate encourage more people to become foster parents, increasing the number of FFHs available for placements?

☑ ***Governor's Proposed Realignment.*** The Governor has proposed realigning CWS to the counties. If CWS is realigned, the Legislature would have to consider the state's role in child welfare when contemplating future GH reforms.

- ***Key Question:*** How much flexibility and control should the Legislature give counties to run their group homes?