

# Supplemental Report of the 2017-18 Budget Act

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Containing Statements of Intent  
And Requests for Studies  
Adopted by the Legislature



Compiled by the  
LEGISLATIVE ANALYST'S OFFICE  
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# HEALTH AND HUMAN SERVICES

**Item 5180-001-0001—Department of Social Services**

1. ***Reversal of the CalFresh Cash-Out Policy With a Hold Harmless Approach for Supplemental Security Income/State Supplementary Payment (SSI/SSP) Caseload.***  
No later than January 1, 2018, the Legislative Analyst’s Office shall submit to the health and human services budget subcommittees and the human services policy committees of both houses of the Legislature and the Department of Finance a report reviewing the funding and program implications of reversing the CalFresh “Cash-Out” policy for recipients in the SSI/SSP program, and potential options for holding harmless any recipients who might be subject to a reduction in CalFresh benefits. The report shall include discussion of the following as they relate to ending the cash-out policy and the options identified to hold recipients harmless from a reduction in CalFresh benefits: (a) practical implications for administrative processes and any potential administrative challenges; (b) estimated costs; and (c) possible impacts on recipients, including examples of how much more CalFresh benefits SSI/SSP recipients could receive and how much closer to the federal poverty level this could bring those who live with benefits currently below that level.
2. ***Continuum of Care Reform (CCR).*** The Department of Social Services (DSS) and the Department of Health Care Services (DHCS), in collaboration with the California State Association of Counties, the County Welfare Directors Association, the County Behavioral Health Directors Association, and the Chief Probation Officers of California, shall provide monthly in-person updates to the Legislature on progress toward the implementation of CCR. Monthly updates shall convert to quarterly updates once all finalized guidance listed under paragraph (a) has been delivered to counties. Specific components of the updates shall cease when notification of completion of a specific activity occurs and/or when it is agreed by all parties that a component is no longer necessary for other reasons.

Commencing July 2016, the monthly updates, unless otherwise noted, shall include but not be limited to:

- (a) ***Update on Guidance to Counties and Stakeholders.*** Status updates on the delivery of interim and finalized guidance (including All County Letters, Information Notices, and Fiscal Letters) to counties and stakeholders on, as well as progress toward implementing, the following:
  - (i) The Child and Family Teaming process, including, but not limited to, guidance on when children’s initial meeting must take place, the frequency with which meetings occur, and the composition of the teams (including the participation of mental health professionals on the team).
  - (ii) How the assessment tool(s) will inform placement and Level of Care decisions made by the child and family team both during the pilot phase and after a standard assessment tool has been selected and implemented.
  - (iii) How, and over what timeframe, the assessment tool will be evaluated (including details on how the pilot will be used to eventually select an assessment tool for statewide deployment).
  - (iv) The definition of, differences between, and use of assessments related to each Level of Care.
  - (v) Resource Family Approval process.
  - (vi) County licensing and mental health program approval, including Medi-Cal Certification of Short-Term Residential Therapeutic Programs (STRTPs) and Medi-Cal Certification of Foster Family Agencies (FFAs).
  - (vii) Access standards that apply to mental health services for children, including children in STRTPs, FFAs, Therapeutic Foster Care (TFC) homes, and Resource Families, and including what types of services are required to be offered by county mental health and managed care plans and the standards for timely access.
  - (viii) Status updates on county allocations of state and federal funding for all other local assistance components of the CCR spending package. Data reporting under this paragraph may occur quarterly rather than monthly.

- (b) ***Tracking County Savings and Costs.*** A status update on the development and communication with county departments of a methodology to track county costs and savings related to CCR implementation.
- (c) ***Systems Changes.*** A status update on the automation changes to the Child Welfare Services Case Management System and licensing systems needed to implement CCR (including the automation of foster care payments and the automated implementation of the selected standard assessment tool). This can include or be satisfied with a qualitative, high-level description of the progress made (for example, major milestones or percentage of progress toward completion).
- (d) ***Update on Child Welfare Provider Performance Outcomes Dashboard.*** Status updates on the creation of a provider performance outcomes dashboard, including:
  - (i) Until public, the anticipated release date of the public dashboard.
  - (ii) Individual measures, including any measures related to STRTPs and FFAs, expected to be added to the dashboard and their anticipated date of publication.
- (e) ***Update on County Recruitment and Retention Efforts.*** Status updates on the recruitment and retention of new resource families. Data reporting under this paragraph may occur quarterly rather than monthly, to the extent relevant data is available, and shall include the following:
  - (i) County allocations of the recruitment and retention funding in the 2015-16 and 2016-17 fiscal years.
  - (ii) The most utilized county activities funded with 2015-16 and 2016-17 recruitment and retention funding.
  - (iii) Outcome measures to assist the Legislature in evaluating the effectiveness of various recruitment and retention activities at the county level. This includes the number of resource families recruited and retained with the funding, and each county's net change in such placements.

Commencing January 2017, to the extent the relevant data is available and in addition to the elements above, the quarterly updates shall include but not be limited to:

- (f) ***Update on the Transition of Providers to the CCR Service Model.*** With a focus on changes over time, status updates on the transition of providers to the CCR service model. Data reporting under this paragraph may occur quarterly rather than monthly and shall include the following:
- (i) Number of applications for STRTP and FFA licensure.
  - (ii) Status of accreditations of STRTPs and FFAs.
  - (iii) Number of licenses granted to STRTPs and FFAs.
  - (iv) Number of license extension requests from group homes received by probation and child welfare agencies.
  - (v) Number of license extensions granted to group homes by probation and child welfare agencies.
  - (vi) Primary reasons why group home license extensions are necessary.
  - (vii) Rate of FFAs and group homes not pursuing a new license under CCR standards and the current licensed capacity of those providers.
  - (viii) Number and identification of counties with licensed temporary shelter care facilities.
- (g) ***Update on Capacity to Provide Mental Health Services.*** With a focus on changes over time, status updates on the capacity of all involved providers to provide mental health services. Data reporting under this paragraph may occur quarterly rather than monthly and shall include the following:
- (i) Number of STRTPs requesting mental health program approval and outcomes of approval requests.
  - (ii) Number of STRTPs with mental health plan contracts to provide mental health services and identification of the counties with which the STRTPs have contracts.

- (iii) Number of FFAs with mental health plan contracts to provide mental health services and identification of the counties with which FFAs have contracts.
  - (iv) Number of FFAs electing to provide placements in TFC homes.
- (h) ***Tracking Child Outcomes Over Time.*** With a focus on changes over time, and to the extent data is available, status updates on the following child outcome measures:
- (i) Number of children in out-of-home care stratified by placement type, Level of Care, and whether the supervising department is county child welfare or probation.
  - (ii) Number of placements per child.
  - (iii) Proportion of placements that constitute a move to a less restrictive setting.
  - (iv) Average length of stay per placement episode by placement type.
  - (v) Number of children receiving the FFA and services-only rate, stratified by county.
  - (vi) Number of children receiving specialty mental health services on a quarterly or monthly basis stratified by service type, county, placement type, and Level of Care. In addition and as data becomes available, services shall be further delineated by its subcomponents including assessment, plan development, collateral contacts, rehabilitation, and therapy.
  - (vii) Number of children receiving mental health services on a monthly basis under the Medi-Cal managed care and fee-for-service systems stratified by service type, county, placement type, and Level of Care. In addition and as data becomes available, services shall be further delineated by its subcomponents, including assessment plan development, collateral contacts, rehabilitation, and therapy.
  - (viii) Mental health provider (including STRTPs, FFAs, and managed care plans) and county performance on timely access standards for mental

health for the foster care population, including date of initial child welfare/probation placement and receipt of service.

- (ix) Number and disposition of service complaints regarding specialty and non-specialty mental health service delivery for foster youth.
- (x) To the extent that the information requested here is not available to be shared in the 2017-18 fiscal year, the departments shall describe the limitations and explore and present options for remedying this lack of available information. As part of this, DSS and DHCS shall hold a separate meeting to include stakeholders, county representatives, and legislative staff to discuss this area of monitoring and evaluation.
- (i) ***Update on CCR-Related Costs and Savings.*** Once available, status updates on CCR-related costs and savings, including:
  - (i) Ongoing county costs and savings related to CCR implementation.
  - (ii) Other services and supplemental payments for which counties use reinvested CCR-related savings (including funding for FFA services-only rate).
- (j) ***Update on the Assessment Tool Pilot.*** Status updates on the assessment tool pilot shall include but not be limited to:
  - (i) Information on the assessment tool pilot evaluation and the ultimate selection of a standardized assessment tool.
  - (ii) Ongoing information on how DSS is ensuring consistent statewide outcomes of the new Level of Care assessment for children across counties.
- (k) ***Update on CCR Rates.*** Status updates on how DSS is evaluating the adequacy of the new CCR rate structure, including:
  - (i) The extent to which the new STRTP and FFA rates are adequate to compensate providers for meeting the new service requirements of CCR.
  - (ii) The extent to which each of the Level of Care rate levels provides adequate resources to resource families caring for children at all assessed levels of need.

- (iii) County changes to Specialized Care Increments (SCI) programs, including any changes in benefit levels and suspensions or terminations of SCI programs.

### **Item 5180-101-0001—Department of Social Services**

1. ***Community Care Licensing: Use of the Key Indicator Tool.*** On or before July 21, 2017, the Department of Social Services (DSS) shall provide a briefing to the Legislature and key stakeholders on the status of the use of the Key Indicator Tool (KIT) for Community Care Licensing (CCL) inspections. This update shall include, but not be limited to, (a) a discussion and summary of the KIT research reports completed to date, (b) information on the circumstances in which a KIT is used rather than a comprehensive assessment by facility type, (c) an explanation of what criteria prompts a KIT inspection to turn into a comprehensive inspection, (d) an explanation of how the department will evaluate the effectiveness of the KIT compared to the comprehensive or other assessments, and (e) an explanation of the work the department is doing to standardize the comprehensive assessment or develop any additional alternatives. Additionally, no later than September 30, 2017, DSS shall provide a document justifying its long-term plan for the use of the KIT versus the comprehensive or other assessment. If this long-term plan includes the continuance of the use of the KIT, the document should also specify how the use of the KIT will be factored into future budget-related requests for CCL. This document shall also include an update on any progress that has been made on the standardization of the comprehensive assessment.

### **Item 5180-141-0001—Department of Social Services**

1. ***County CalFresh Denial and Discontinuance Reports.*** The department shall update the Legislature at budget hearings on the development of statistical reports relative to the CalFresh program. The department shall convene a workgroup composed of advocates of CalFresh beneficiaries, county workers or their representatives, the State Automated Welfare Systems (SAWS) and the County Welfare Directors Association to develop CalFresh and CalFresh Expedited Services application denials and benefit discontinuances report elements, to be reported by county and by consortia. These reporting elements identified by the workgroup shall be ones necessary to inform policy decisions which support maximum participation of eligible Californians and prevent duplication of effort for caseworkers, applicants and recipients. The workgroup shall take into consideration and provide input on the potential workload and automation impacts of its recommendations.