

Status of Performance-Based Contracting Model Quarter 2 Report

(FY2021 Appropriation Act - Public Act 166 of 2020)

April 1, 2021

Sec. 503. (1) *In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall continue to review, update, or develop actuarially sound case rates for necessary child welfare foster care case management services that achieve permanency by the department and private child placing agencies in a prospective payment system under a performance-based funding model.*

(2) *From the funds appropriated in part 1, by March 1 of the current fiscal year, the department shall allocate \$250,000.00 to provide to the senate and house appropriations committees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office a report on a full cost analysis to provide annual actuarially sound rates for foster care child placing agency administrative rates and child caring institution residential rates. The report shall include, but not be limited to, all rate factors necessary for consideration and shall give estimates on the cost to implement actuarially sound rates based on actual child welfare data.*

(3) *In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall continue an independent, third-party evaluation of the performance-based funding model.*

(4) *The department shall only implement the performance-based funding model into additional counties where the department, private child welfare agencies, the county, and the court operating within that county have signed a memorandum of understanding that incorporates the intentions of the concerned parties to implement the performance-based funding model.*

(5) *The department, in conjunction with members from both the house of representatives and senate, private child placing agencies, the courts, and counties shall continue to implement the recommendations that are described in the workgroup report that was provided in section 503 of article X of 2013 PA 59 to establish a performance-based funding for public and private child welfare services providers. The department shall provide quarterly reports on the status of the performance-based contracting model to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices.*

(6) *From the funds appropriated in part 1 for the performance-based funding model pilot, the department shall continue to work with the West Michigan Partnership for Children Consortium on the implementation of the performance-based funding model pilot. The consortium shall accept and comprehensively assess referred youth, assign cases to members of its continuum or leverage services from other entities, and make appropriate case management decisions during the duration of a case. The consortium*

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shall operate an integrated continuum of care structure, with services provided by both private and public agencies, based on individual case needs. The consortium shall demonstrate significant organizational capacity and competencies, including experience with managing risk-based contracts, financial strength, experienced staff and leadership, and appropriate governance structure.



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The Michigan Department of Health and Human Services (MDHHS) has continued its collaboration with Kent County MDHHS staff, and the Kent County provider community involved in the West Michigan Partnership for Children (WMPC) to support the Kent County pilot.

The performance-based case rate funding model is intended to improve outcomes for children and families; allow for the effective allocation of resources to promote local service innovation, create service efficiencies, and incentivize service providing agencies to be accountable for achieving performance standards. The funding model reinforces positive outcomes and reinvests savings for continued improvements in foster care service delivery.

Data Overview

The outcomes monitored include the Child and Family Services Review (CFSR) federal measures, Modified Implementation, Sustainability, and Exit Plan (MISEP), and contracted measures. The WMPC is meeting:

- **9 out of the 14** identified permanency performance measures. This is an increase from last quarter which was 7 out of 13.
- **0 out of the 6** identified well-being performance measures. This is the same as last quarter which was 0 out of 6.
- **4 out of the 7** identified safety performance measures. This is an increase from last quarter which was 3 out of 7.

The detailed quarterly performance measures for are included in the attachment titled *Fiscal Year 2021 Q1 Performance Report*.

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Expenses - Cash Basis	FY2018	FY2019	FY2020	FY2021 Q1	FY2021 Projected Spending Compared to FY2020
Foster Care Administration	\$15,240,083	\$15,610,709	\$11,470,204	\$4,892,098	↓
Caregiver Maintenance Expenses	\$3,648,410	\$4,643,238	\$4,050,516	\$1,647,085	↓
Enhanced Foster Care Maintenance & Administration	\$1,053,168	\$3,448,756	\$2,960,982	\$969,449	↓
Residential Expenses	\$10,525,555	\$9,042,917	\$9,052,993	\$1,712,623	↓
Shelter Expenses	\$1,167,662	\$1,247,024	\$781,287	\$25,497	↓
Ancillary Services	\$1,325,453	\$1,399,903	\$1,070,799	\$447,454	↓
Adoption Administration	\$1,337,245	\$1,648,892	\$1,447,124	\$652,350	↓

Note: The table is cash basis and FY21 Q1 costs include expenses from FY20 Q4.

Key Innovations and Status Updates

- During the final quarter of the prior fiscal year, MDHHS, the Legislature, and SBO agreed to a new capitated allocation funding model to go into effect in FY21, provide WMPC with a \$1.5 million risk reserve, and make WMPC whole so that all payables would be cleared through the end of the year. The lump sum payment was received from MDHHS in November 2020 and all prior year payables were cleared upon receipt. In October, WMPC received one-fourth of both the \$35,132,600 foster care capitated allocation and \$2,000,000 administration allocation for FY21. WMPC maintained their \$1,500,000 risk reserve and operations resulted in a surplus of \$1.6M, under an accrual basis, as of the end of the first quarter.
- WMPC received 47 referrals in the first quarter of FY21; down 30% from the number of referrals received in the fourth quarter of FY20.
- Implementation of enhanced foster care and the decrease in number of children in foster care continues to contribute to a decrease in placements in residential settings. Between October and December 2020, the number of days children spent in residential placements decreased by 10% compared to the previous quarter.
- WMPC's performance and quality improvement team continues to analyze performance data and engage with its network providers monthly to discuss key performance measures, data quality, outcome measures, and quality improvement plans. WMPC also meets with providers on a quarterly basis to assess performance against the contract as

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a condensed review of contract compliance and achievement of outcomes. (Refer to attachment *Fiscal Year 2021 Q1 Performance Report*)

- During quarter one, WMPC's clinical liaison received over 87 screening referrals and subsequent consultations leading to nine formal assessments and 79 youth connected to open-access services.
- WMPC was awarded a \$600K grant from Kent County's Ready by Five Early Childhood Millage funds. WMPC will implement a new trauma-informed Parent Engagement Program that will engage and equip parents with children ages 0-5 in Kent County entering the foster care system over the next two years.
- Chief Executive Officer (CEO), Kristyn Peck, resigned in November 2020. As a response to a stakeholder survey regarding WMPC's goals for the next three years, WMPC's Executive Leadership team was restructured. WMPC's Board identified Sonia Noorman, WMPC's Chief Operating Officer met all the requirements that the survey identified as crucial in the next CEO, and she was promoted in November. The position of Chief Engagement and Equity Officer was created and recruitment, interviewing, and hiring for this position occurred throughout December 2020.
- WMPC resumed recruitment efforts to fill four vacant board slots to meet its objective of having members representative of the diversity of the community and to allow for a non-provider quorum.
- WMPC's Diversity, Equity, and Inclusion (DEI) committee continues to meet bi-monthly. The DEI committee continues to partner with our equity consultant Inclusive Performance Strategies to drive forward our strategic goals towards being an anti-racist organization. In November of 2020 WMPC presented at the Community Based Child-Welfare National Symposium. This presentation focused on racial justice as it relates to overrepresentation of children of color in foster care, and corresponding inequities, an issue that is prevalent in child welfare systems nationwide.
- The COVID-19 pandemic continues to have an impact on operations and performance. Performance for in-person visitation with parents and between supervisors and staff have declined due to on-going concerns of transmission for staff and families. Additionally, timeliness of medical and dental visits has decreased due to backlogs at providers and de-prioritization of non-urgent visits. On-going disruptions to performance are projected due to the COVID-19 pandemic for the foreseeable future.

Attachment:

- Fiscal Year 2021 Q1 Performance Report


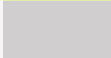
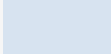


WMPC Network Performance Report

Fiscal Year 2021 Quarter 1
Report Date: February 17, 2021

EXECUTIVE SUMMARY

FY21 Contract Measure Performance

	Indicates performance met the benchmark/on positive trajectory
	Indicates performance did not meet benchmark
	Blue indicates a “heads up”/area of focus

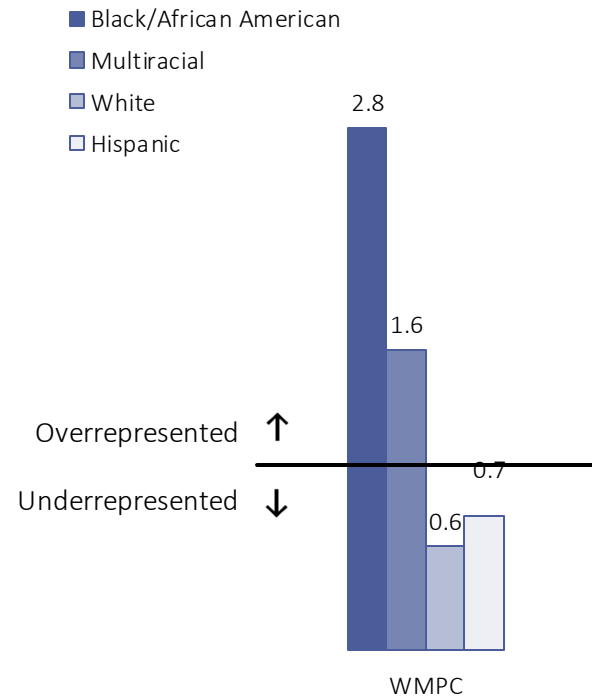
Measure	Benchmark	FY2020	FY21 Q1
Worker-parent Contacts	76%	66%	65%
Worker-supervisor Contacts	95%	65%	49%
Parent-child Contacts	59%	45%	52%
Worker-child Contacts	95%	97%	99%
Days in Residential	-8%	- 5%	4,604 days
Days in Emergency Shelter	-5%	- 35%	91 days
Shelter First Placement	Not exceed 20%	21%	0%
Adoption Disruptions	<5%	0%	0%
Adoption Finalizations	80%	50%	25 adoptions
Permanency in 12-23 Months	43.6%	39.5%	38%
Permanency in 12 Months	27%	18.2%	19%
Permanency in 24+ Months	30.3%	48.3%	47%
Placement Stability	4.12	3.25	3.39
Re-Entry to Care in 12 Months	8.1%	3.2%	2.9%
In County Placements	70%	65%	66%

Measure	Benchmark	FY2020	FY21 Q1
Community Placements	94% or increase 4%	89%	90%
Initial Medical Exams	85%	73%	83%
Periodic Medical Exams	95%	78%	75%
Initial Dental Exams	90%	75%	65%
Periodic Dental Exams	95%	62%	65%
Initial Service Plans	95%	89%	65%
Update Service Plans	95%	96%	96%
Plan Approvals	95%	91%	91%
Relative Placements	35% or increase 6%	38%	38%
Licensed Foster Homes	109	89	41
New Relative Licensed Homes	53	30	7
Maltreatment in Care	9.0	12.95** / 5.39	0

Disproportionality is the underrepresentation or overrepresentation of a racial or ethnic group compared to its percentage of the total population. WMPC used the total population of Black/African American, Multiracial, Hispanic, and White children ages 0-18 living in Kent County to understand the disproportionality of children in WMPC's care in FY21.

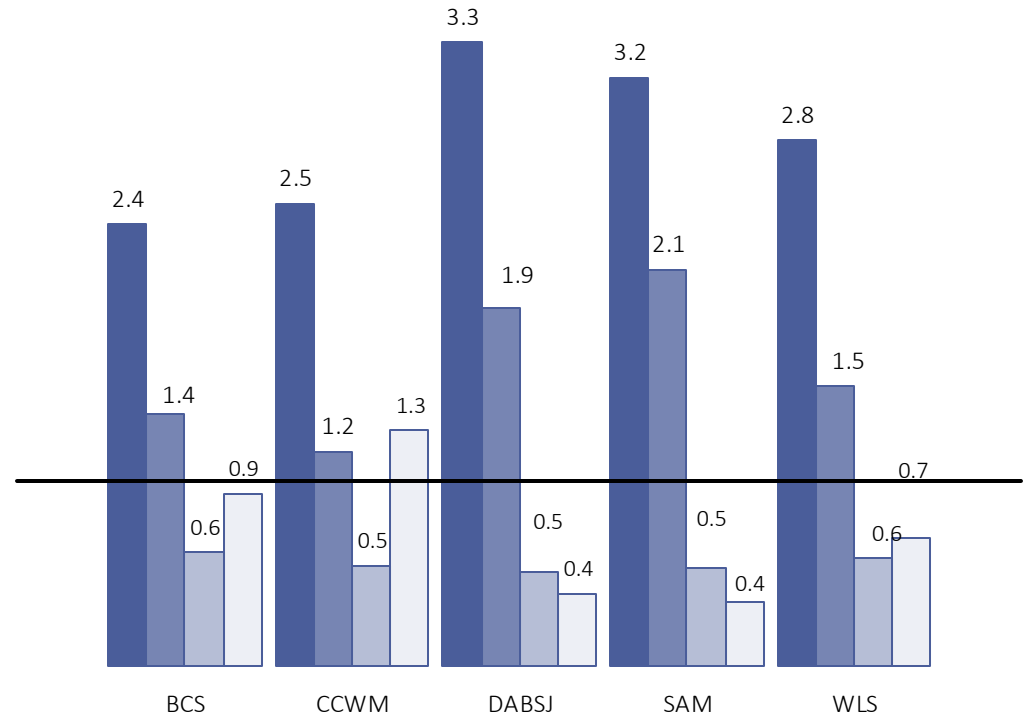
Racial Disproportionality In Care

WMPC had 757 children in foster care in FY21 Q1. Black and Multiracial children were over-represented compared to the general population's percentage of Black and Multiracial children.



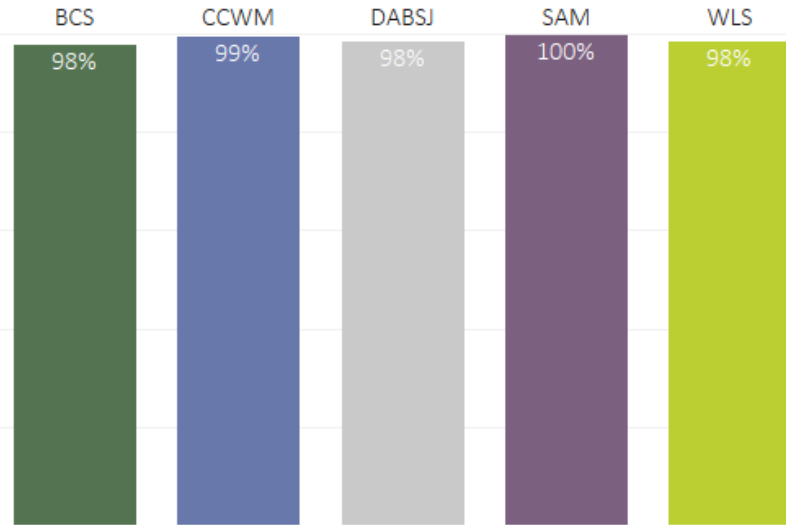
Disproportionality By Agency

Racial disproportionality varied between agencies' children in foster care compared to the general population. Black children were far overrepresented for each agency, while White and Hispanic children were underrepresented in most agencies.

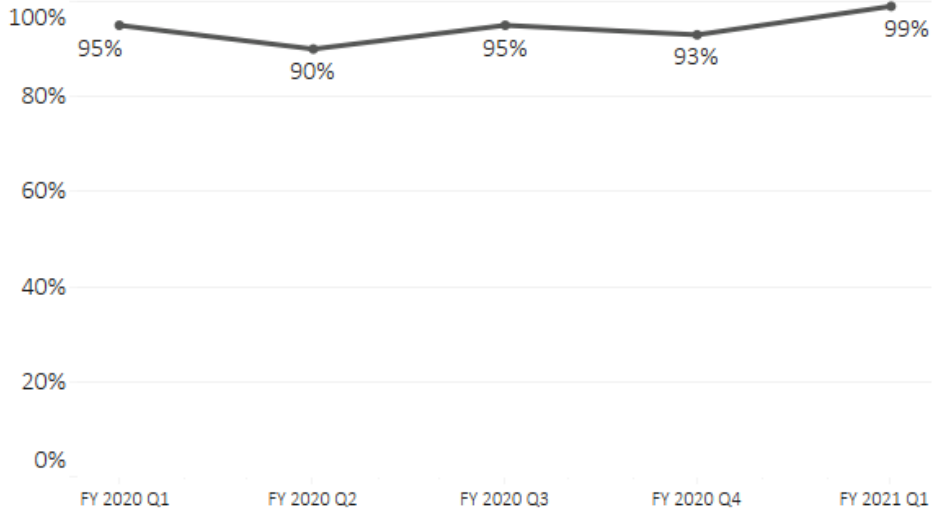


Worker-Child Contacts

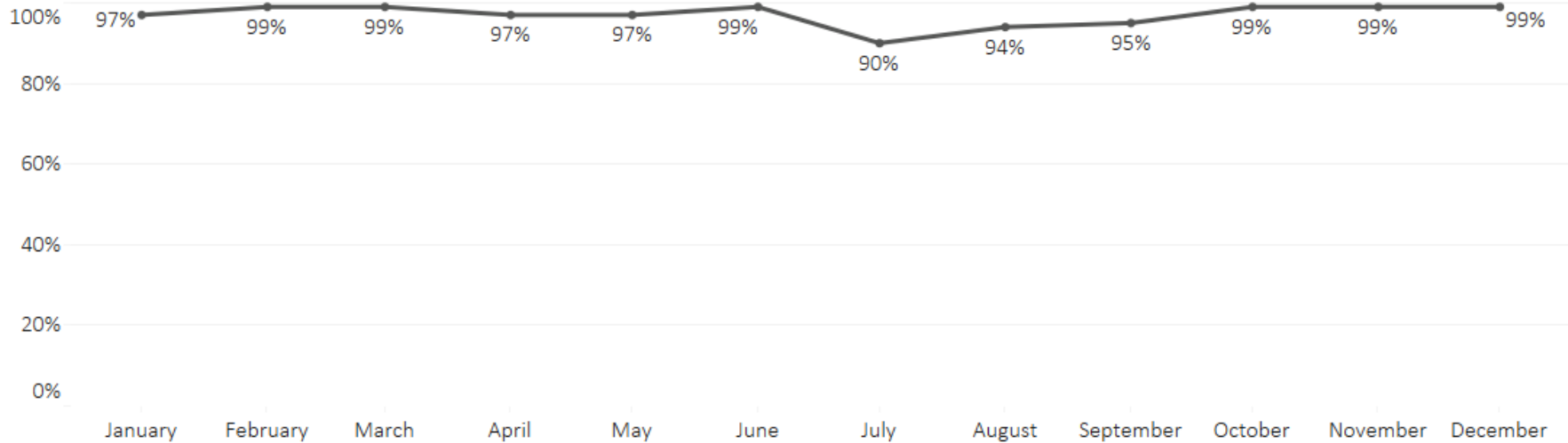
FY2021 Q1



WMPC Network

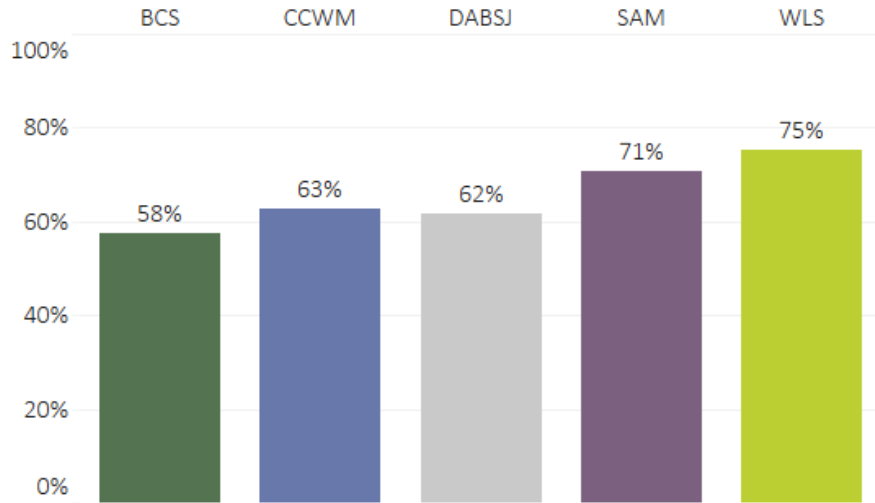


Last 12 Months

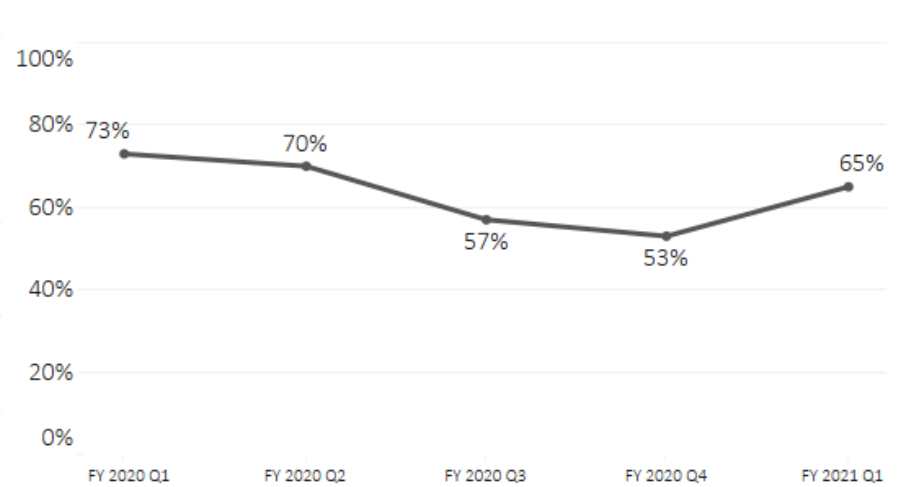


Worker-Parent Contacts

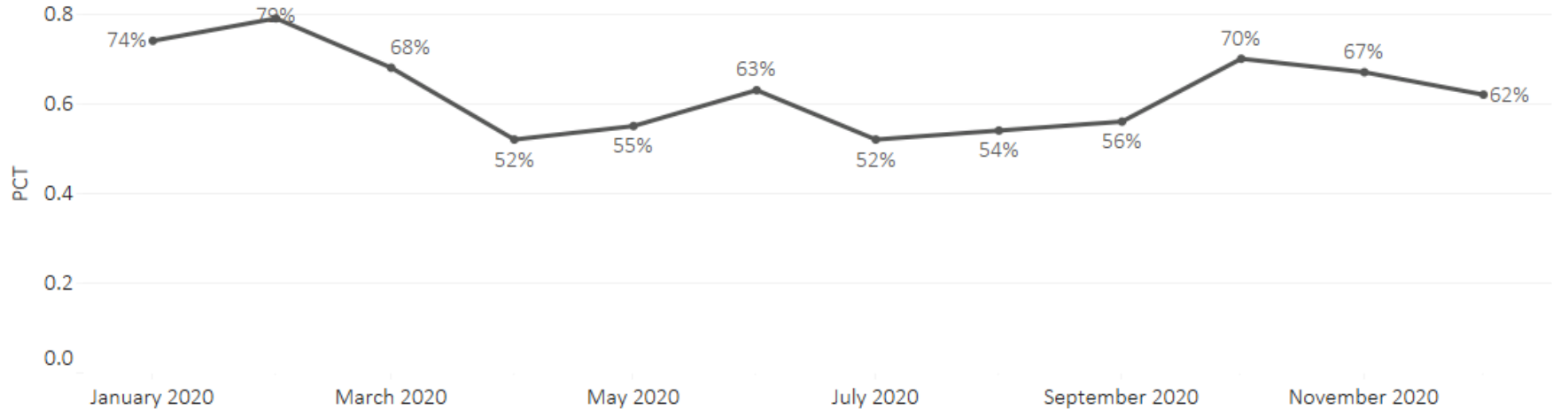
FY2021 Q1



WMPC Network

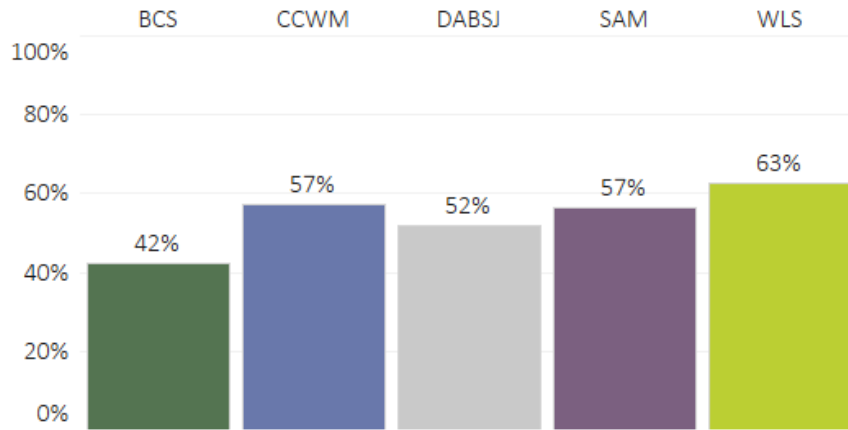


Last 12 Months

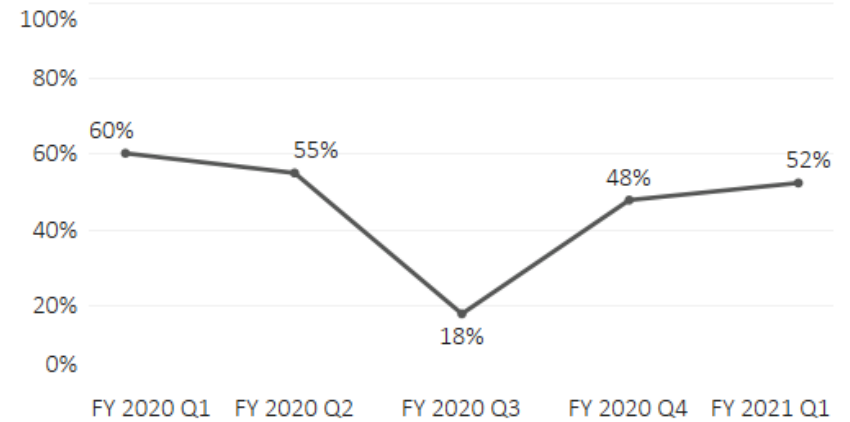


Parent-Child Contacts

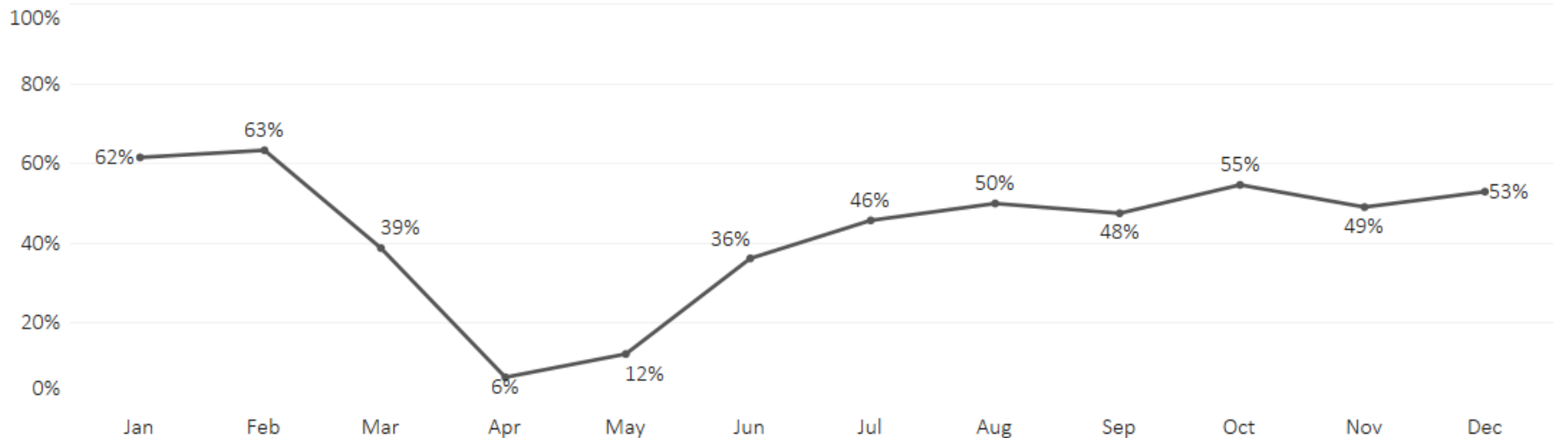
FY2021 Q1



WMPC Network

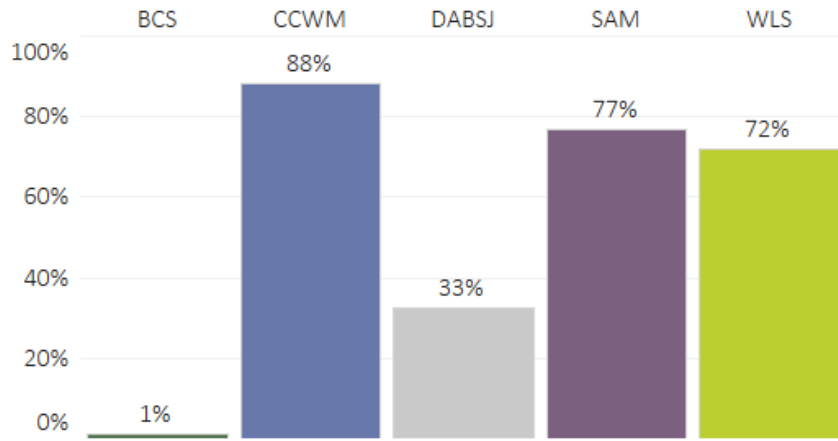


Last 12 Months

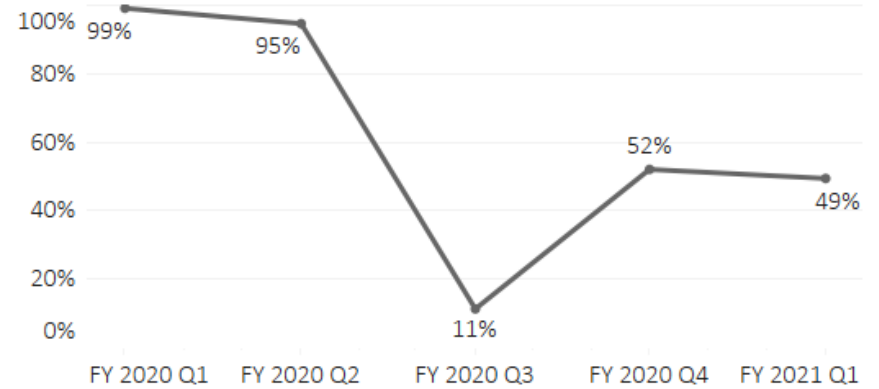


Worker-Supervisor Contacts

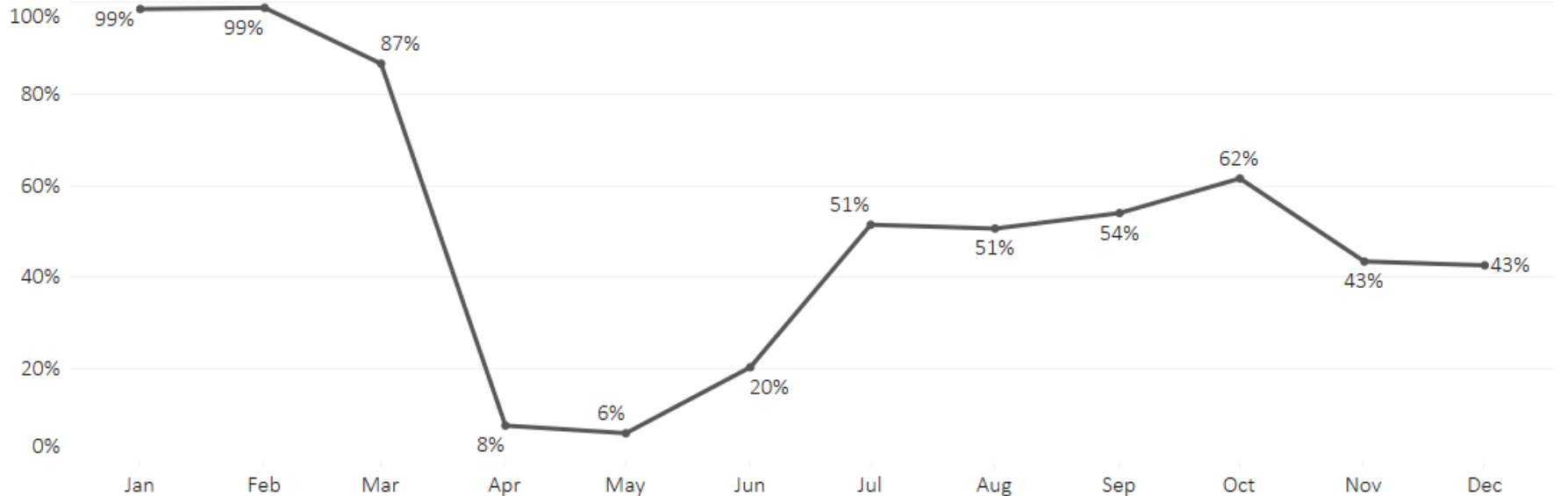
FY2021 Q1



WMPC Network



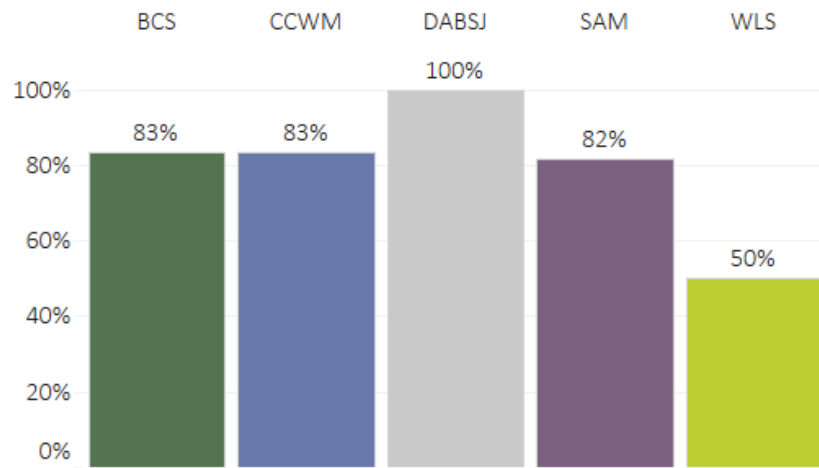
Last 12 Months



Initial Medicals

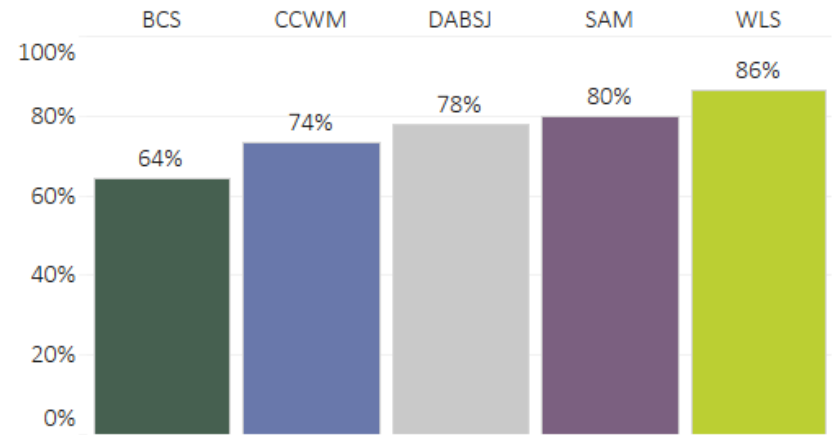
The WMPC network performance for FY21 Q1 was 83%.

FY2021 Q1

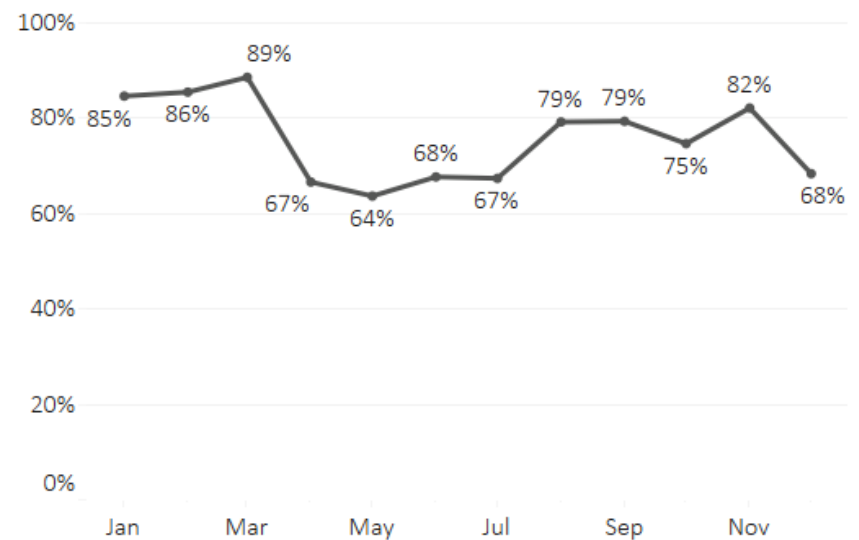
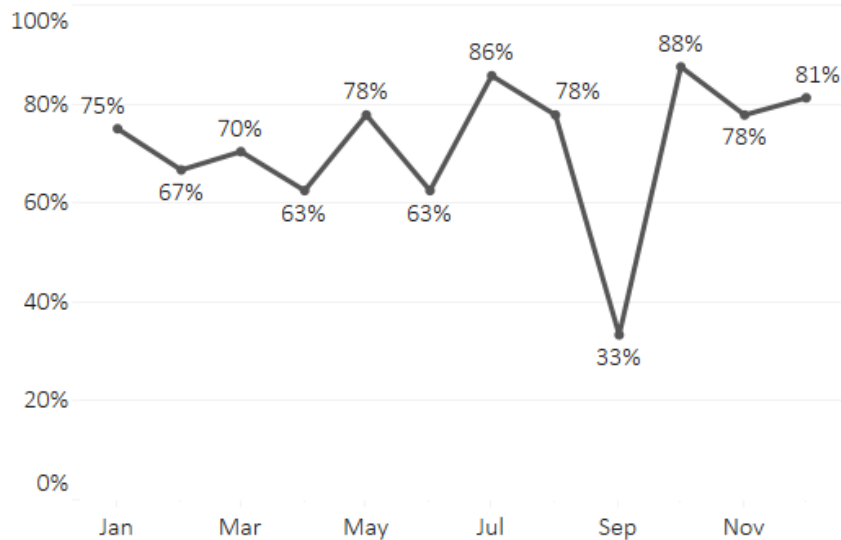


Periodic Medicals

The WMPC network performance for FY21 Q1 was 75%.



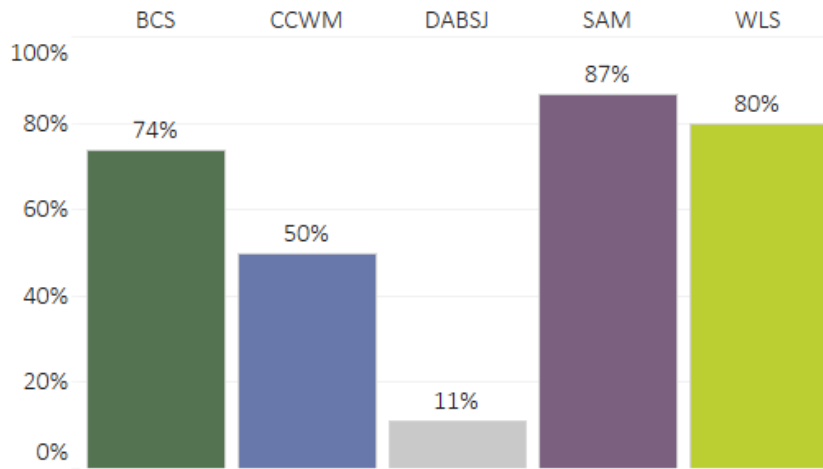
Last 12 Months



Initial Dentals

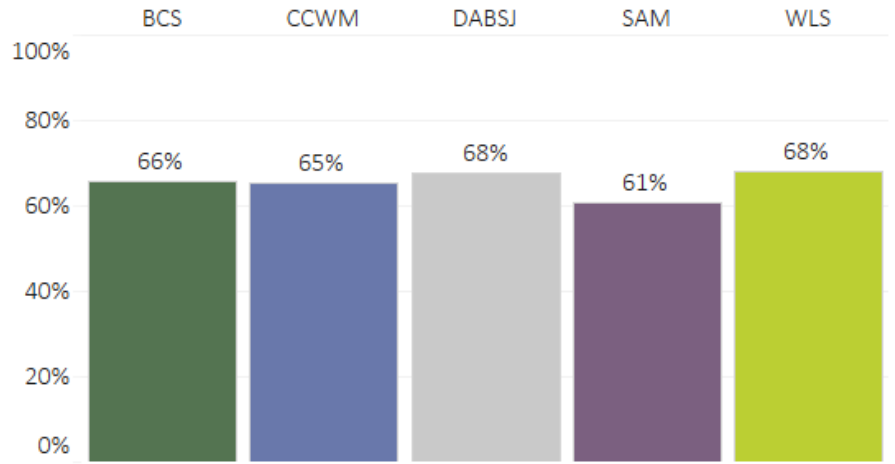
The WMPC network performance for FY21 Q1 was 65%.

FY2021 Q1

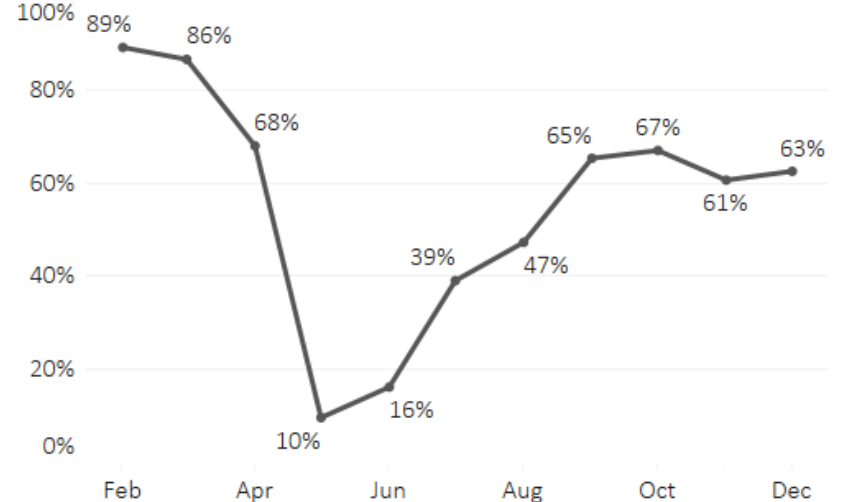
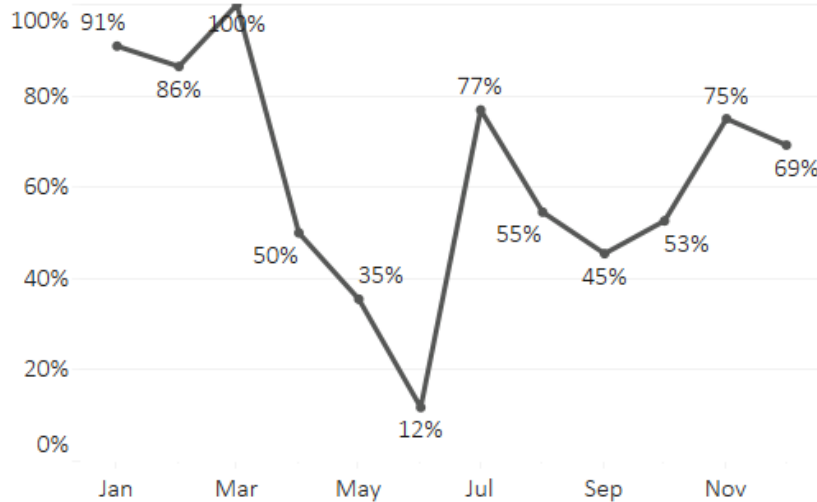


Periodic Dentals

The WMPC network performance for FY21 Q1 was 65%.



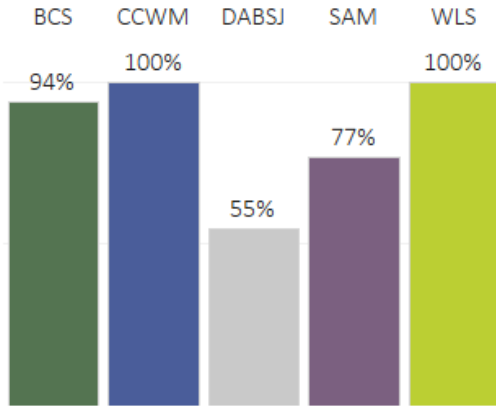
Last 12 Months



Initial Service Plans

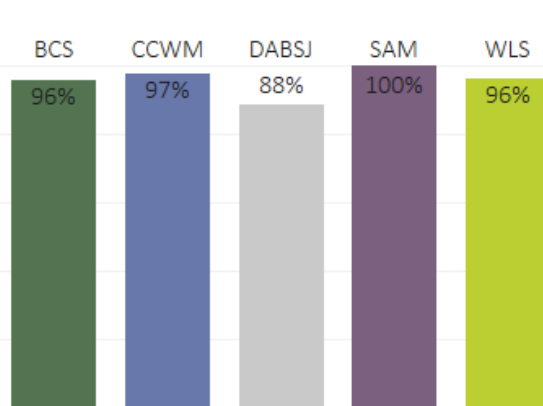
The WMPC network performance for FY21 Q1 was 65%.

FY2020 Q1



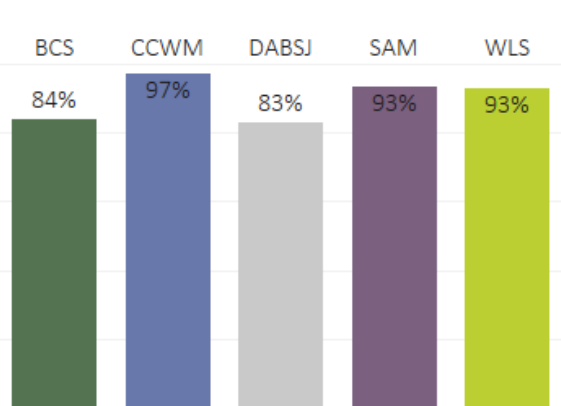
Updated Service Plans

The WMPC network performance for FY21 Q1 was 96%.

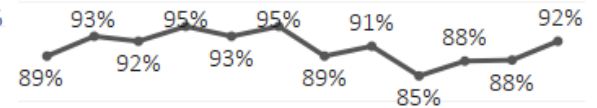
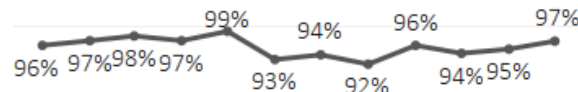
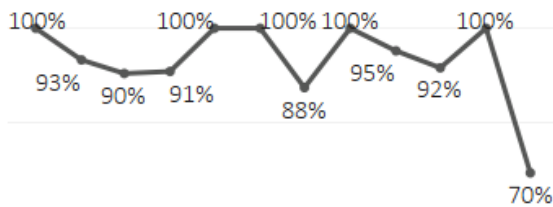


Service Plan Approval

The WMPC network performance for FY21 Q1 was 91%.



Last 12 Months



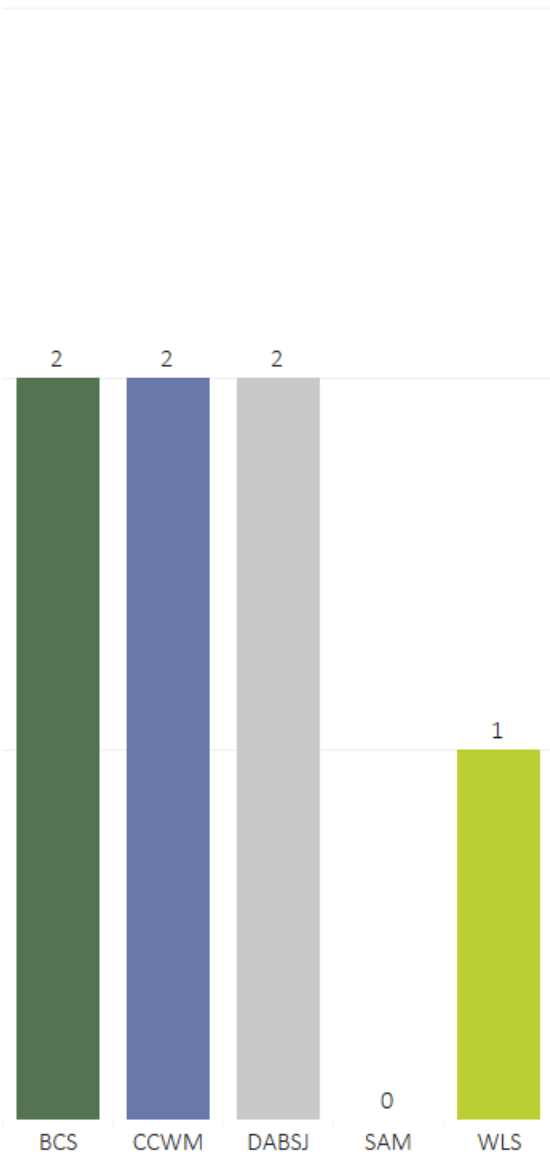
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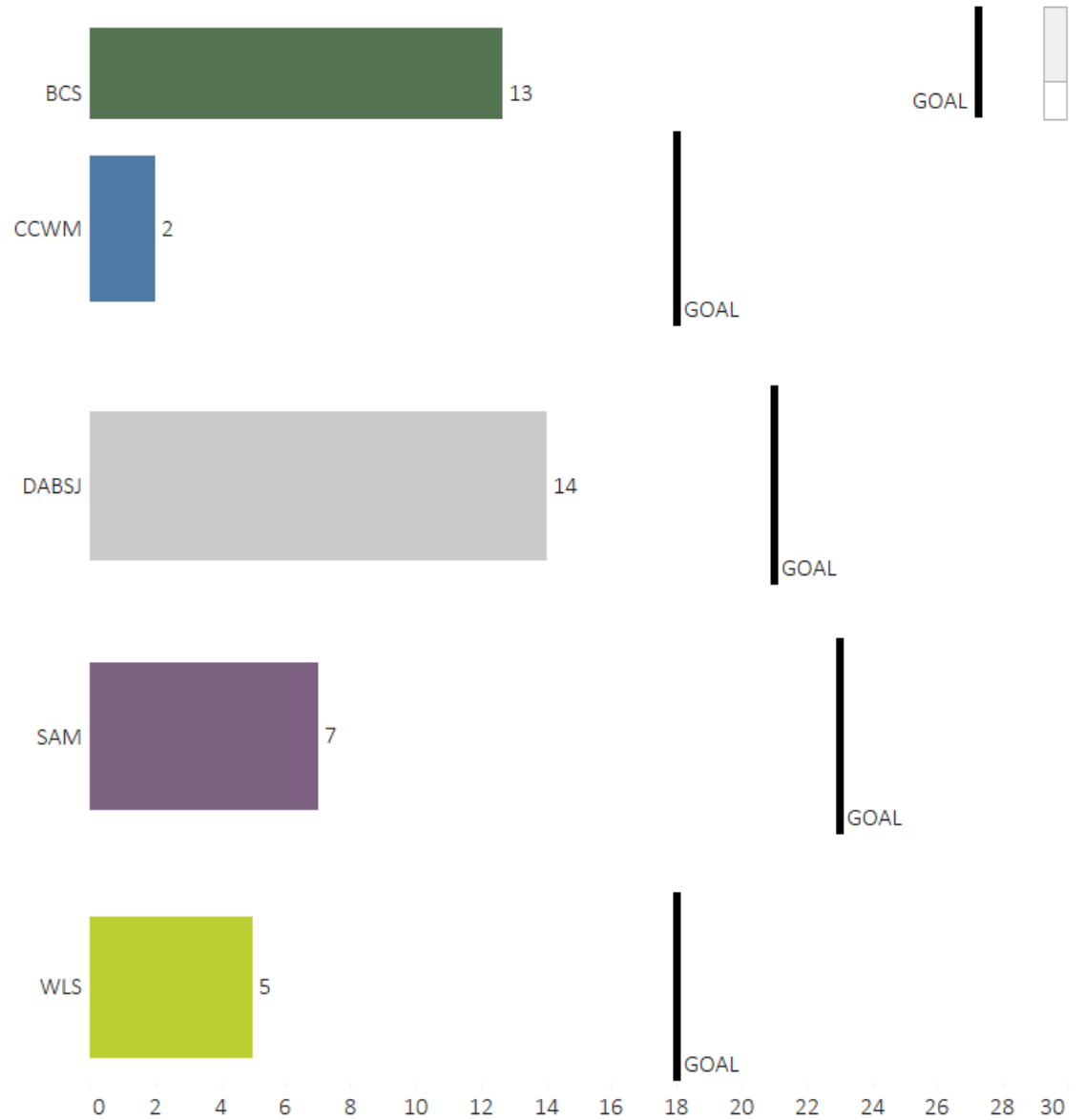
New Relative Licenses

Relatives successfully completing the license process will increase 20 percent from FY19 by the end of FY21.



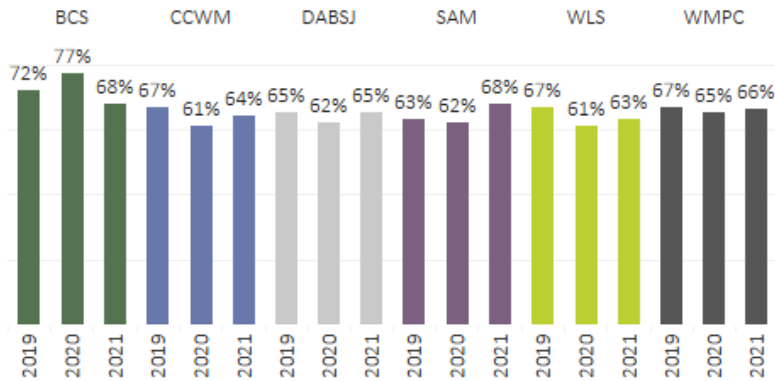
Licensed Foster Homes

The Service Provider must license at least the number of foster homes required to meet their benchmark for total number of homes to be licensed as determined by the Kent County AFPRR licensing calculator.



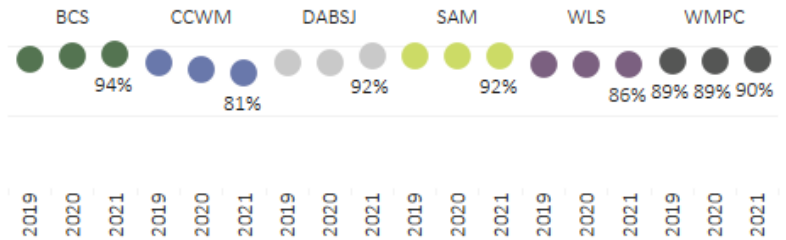
In-County Placements

Of all placements supervised through the Service Provider, 70 percent of placements will remain in Kent County by the end of FY21.



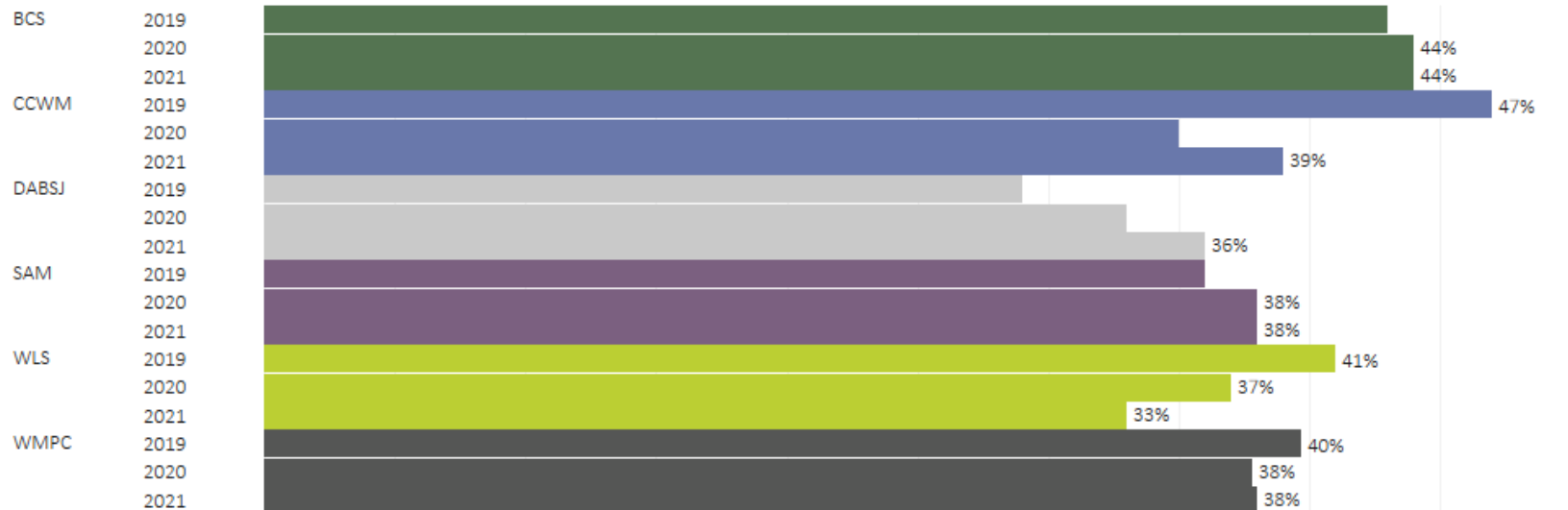
Percent of Days Spent in Community Placements

The percentage of days the Service Provider's children placed in community-based foster care in the most family-like setting must increase by at least 3% from the previous year OR the percentage of days the Service Provider's children placed in community-based foster care in the most family-like settings must exceed 94%.



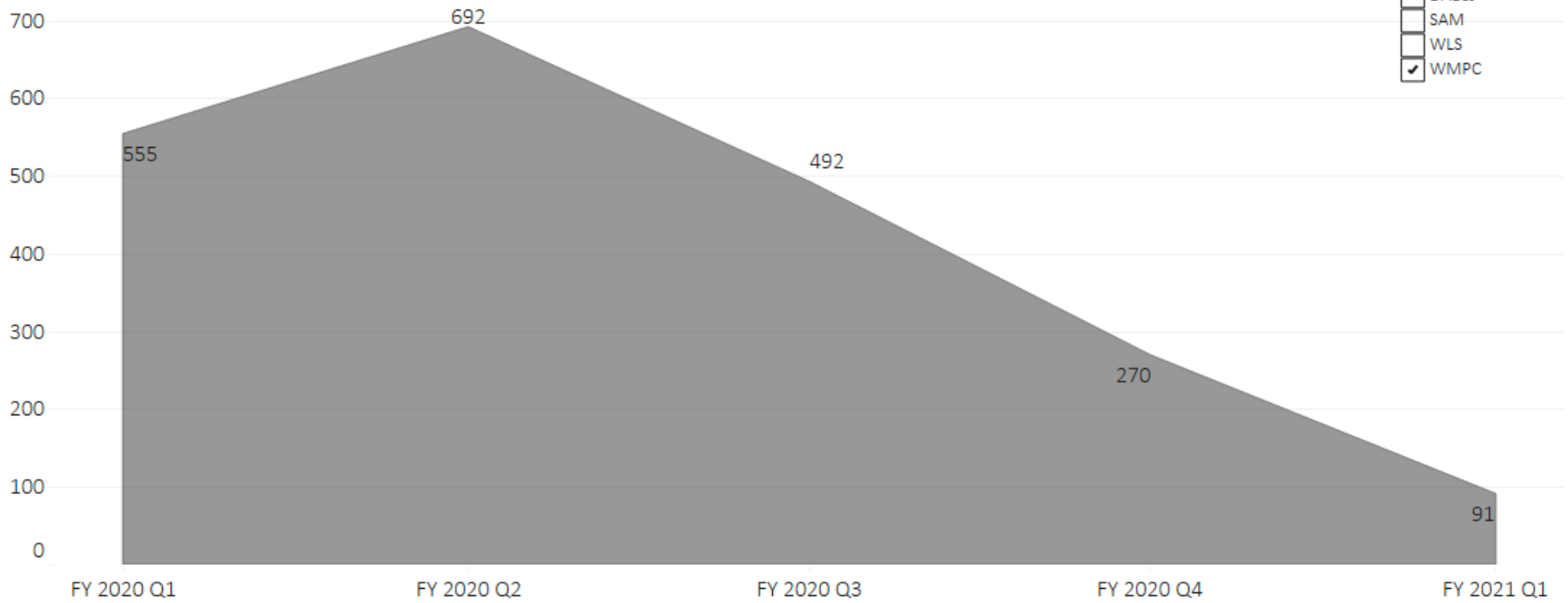
Increased Days in Relative Placements

The percentage of days children placed in relative care must increase by at least 6% from the previous year OR at least 35% of all children served by the Service Provider are in relative care each year.

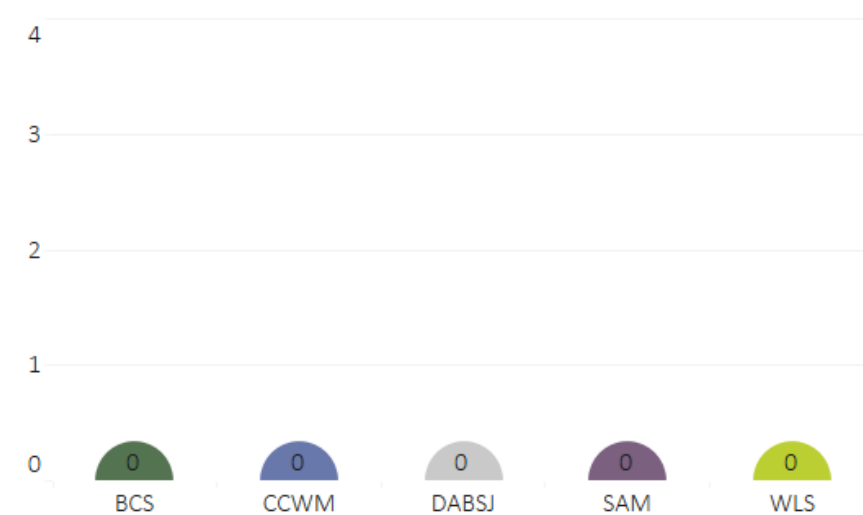


Total Number of Days in Shelter

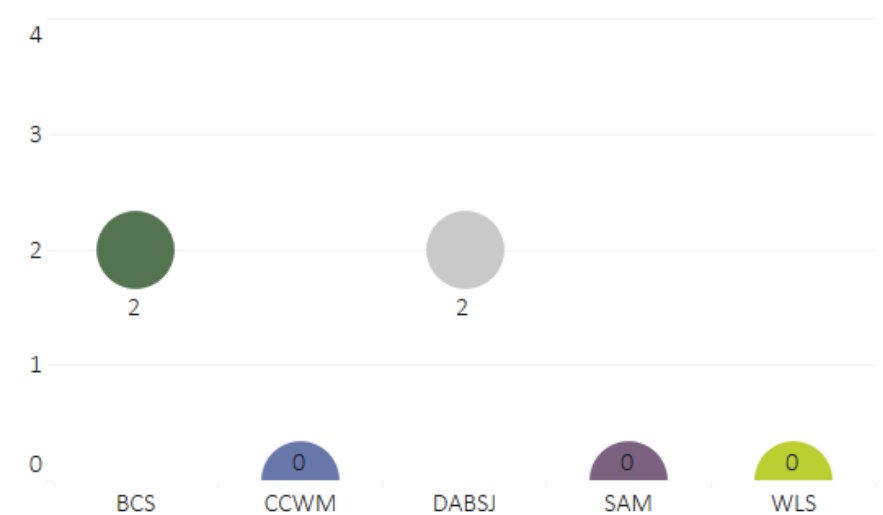
- BCS
- CCWM
- DABSJ
- SAM
- WLS
- WMPC



Number of Kids with Shelter as First Placement

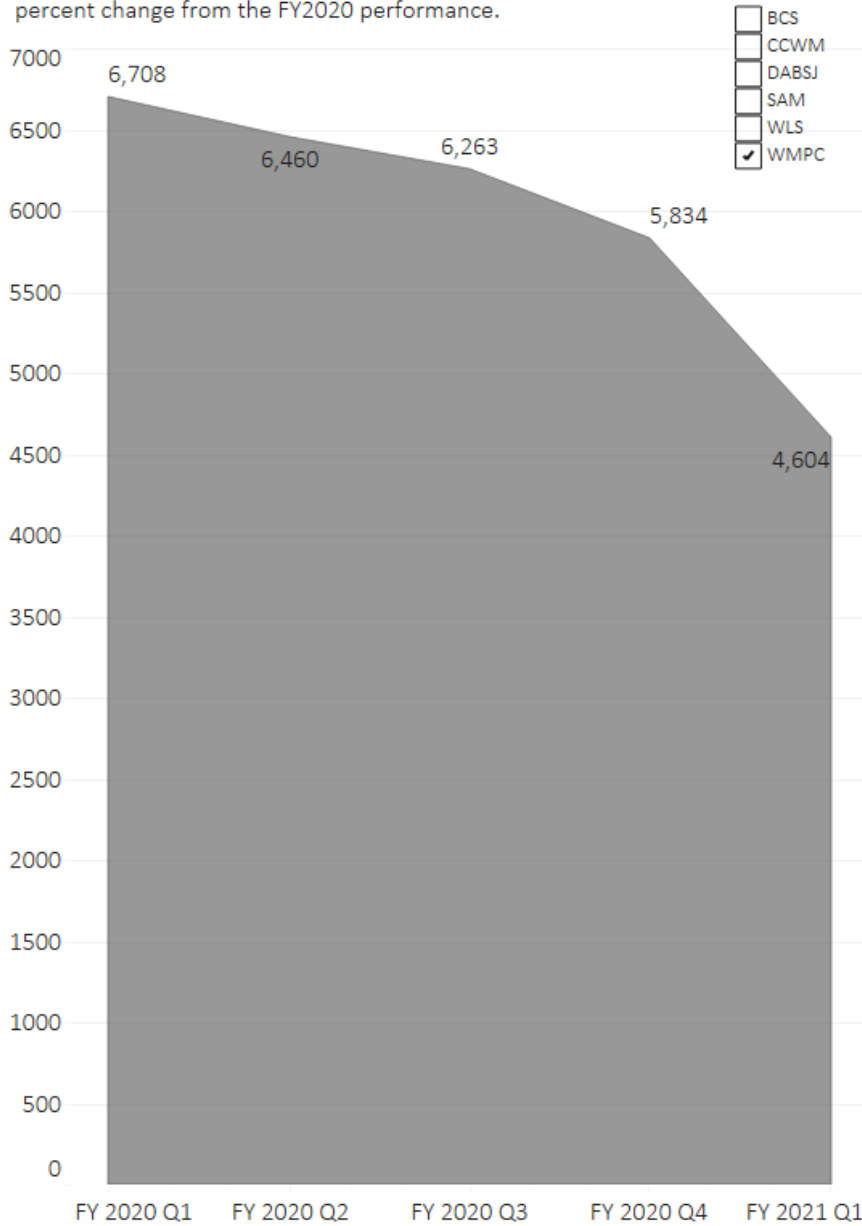


Number of Kids in Shelter

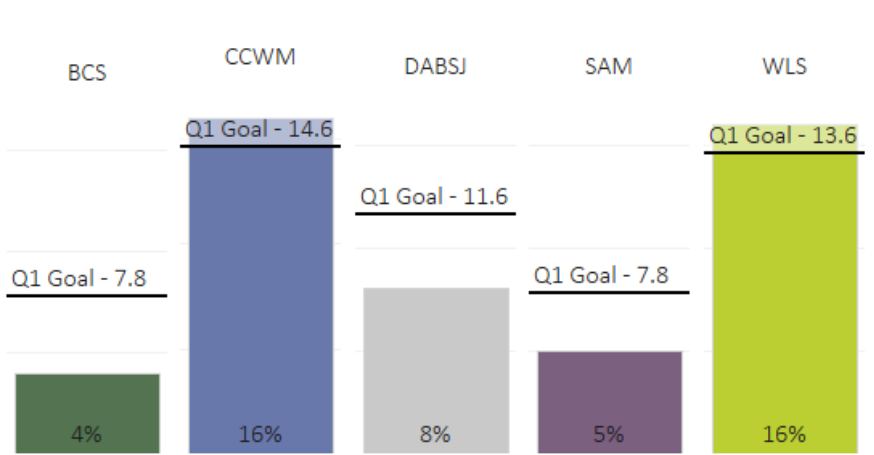


Total Days in Residential Care

The total number of days children placed in residential care will be reduced by a 3 percent change from the FY2020 performance.

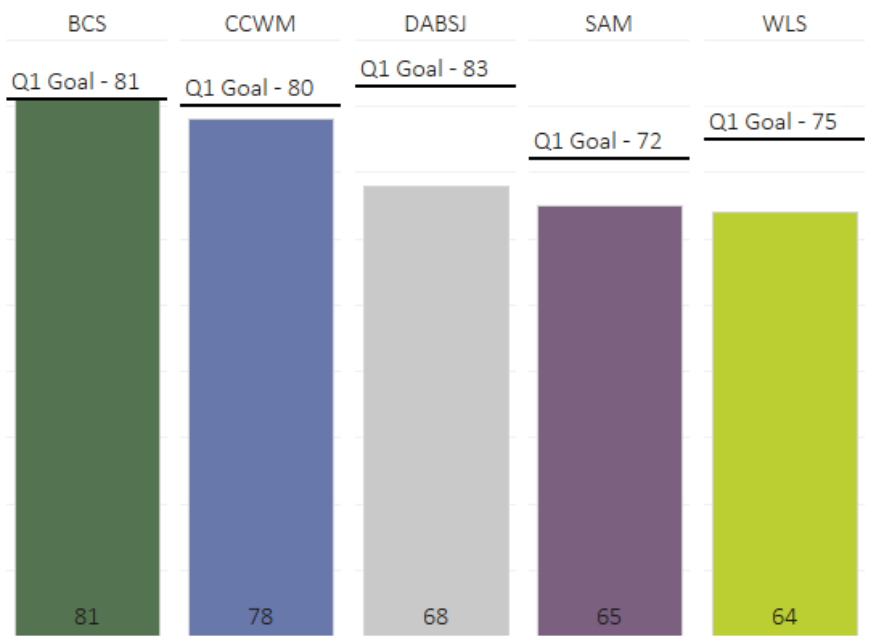


Percent of Population in Residential Care



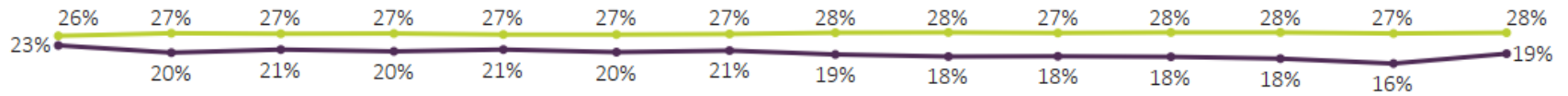
Average Days in Residential Care

The average number of days children from an agency spend in residential care will be reduced by a 3 percent change from the FY2020 performance.



Permanency in 12 months for Children Entering Care

At least 27 percent of children supervised by the Service Provider shall achieve permanency within 12 months for children entering foster care, as defined in the federal Child and Family Service Review, Round 3 by the end of FY21.



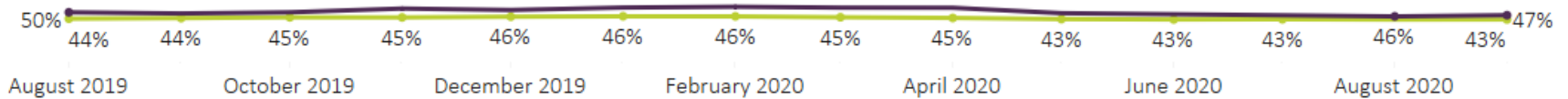
Permanency in 12-23 months for Children in Foster Care 12 to 23 Months

At least 43.6 percent of children supervised by the Service Provider, in care 12 to 23 months shall achieve permanency within 12 months, as defined in the federal Child and Family Service Review, Round 3.

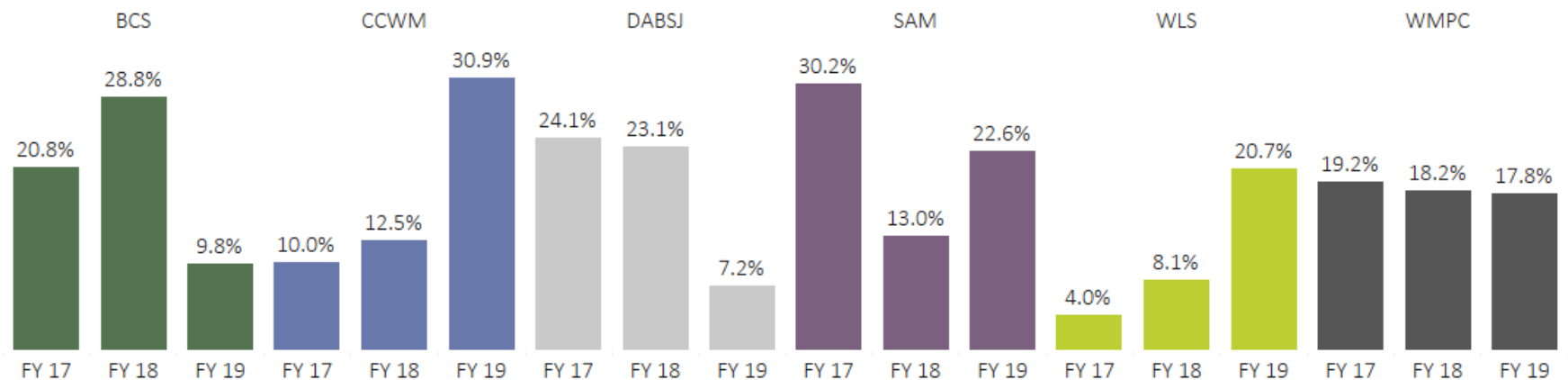


Permanency in 24+ months for Children in Foster Care for 24 Months or Longer

At least 30.3 percent of children supervised by the Service Provider, in foster care 24 months or longer, shall achieve permanency within 12 months as defined in the federal Child and Family Service Review, Round 3.

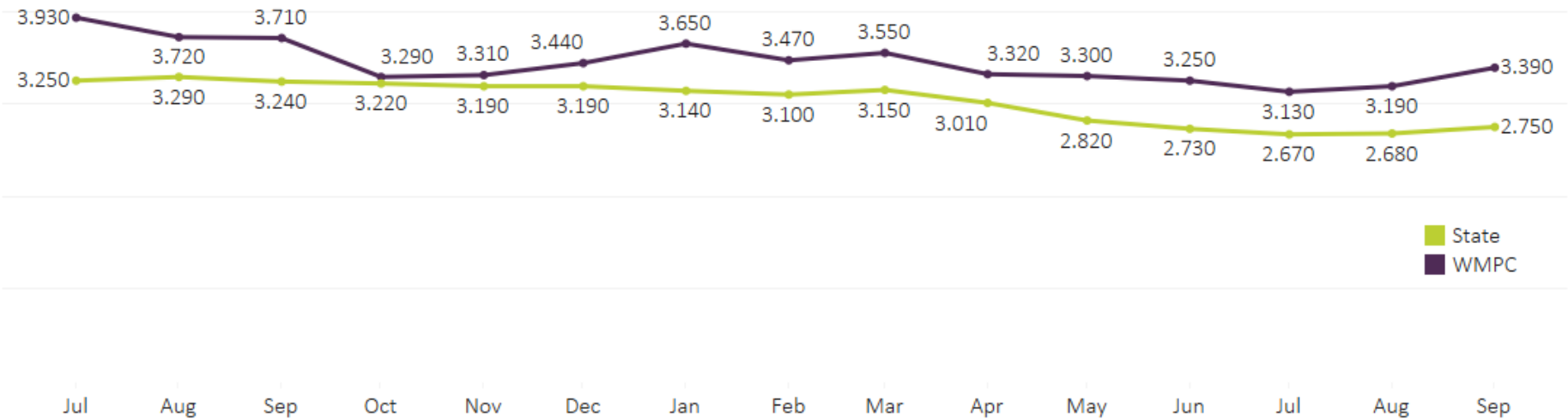


Permanency in 12 for FY 17-19



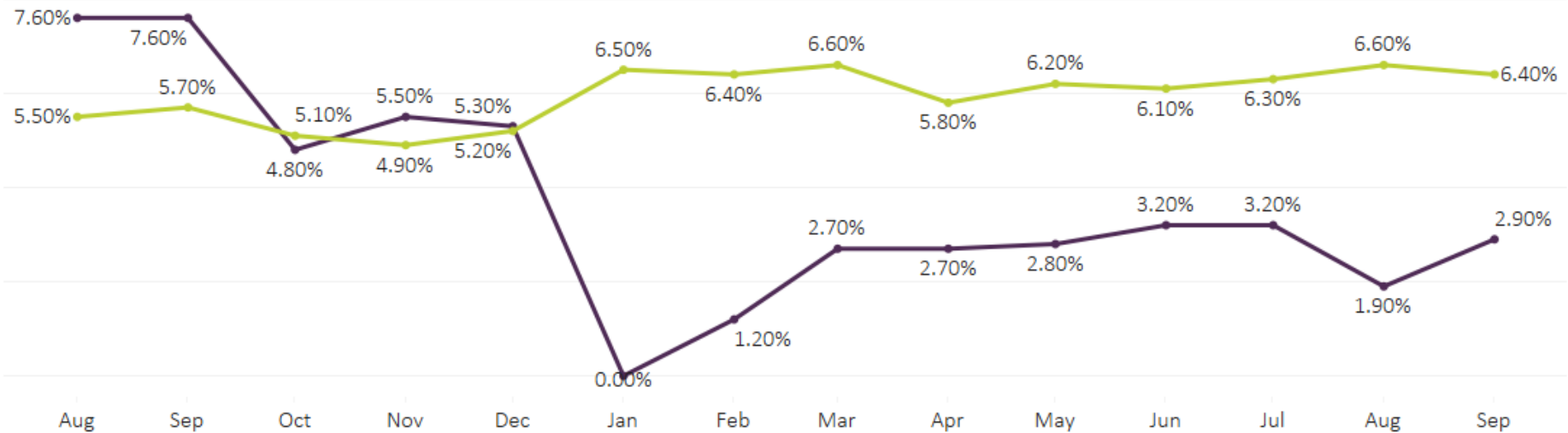
Placement Stability

Children supervised by the Service Provider shall have no more than 4.12 placement moves as defined in the federal Child and Family Service Review, Round 3.



Re-Entry to Foster Care in 12 Months

No more than 8.1 percent of children supervised by the Service Provider, shall re-enter foster care within 12 months as defined in the federal Child and Family Service Review, Round 3.

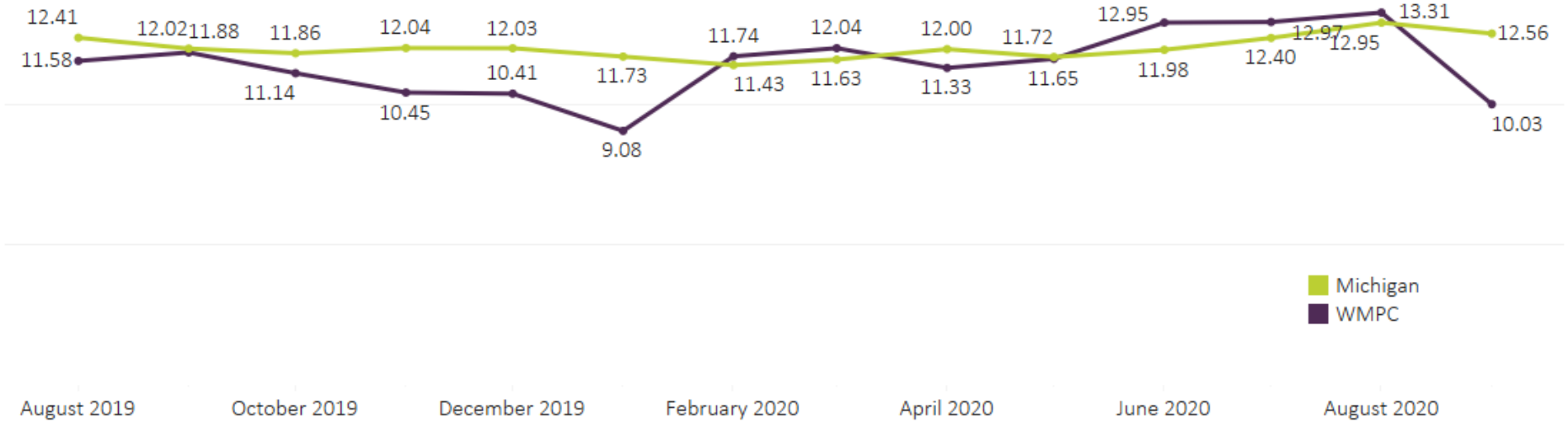


Maltreatment In Care

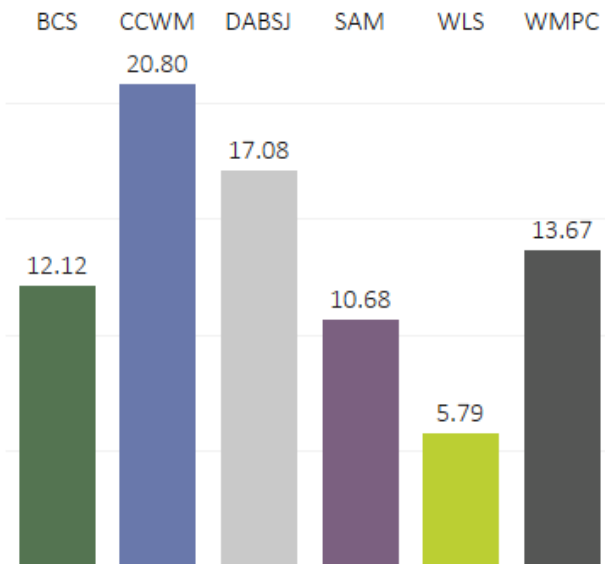
Source: Infoview Report, Accessed 1/15/2020

WMPC and Michigan Performance

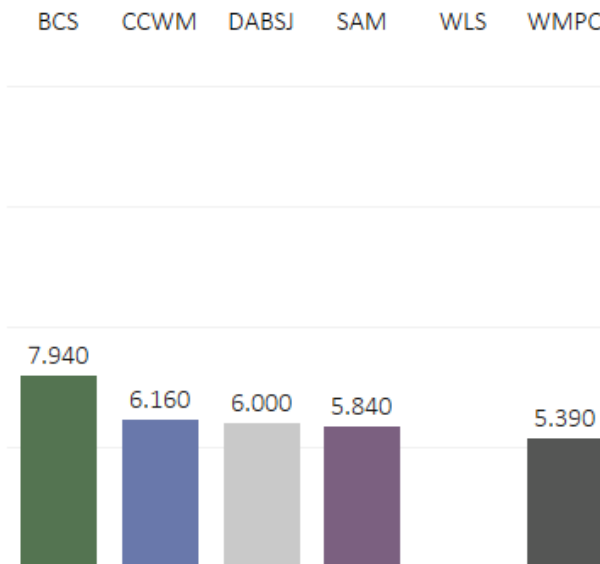
Of all children in care during a 12-month period, supervised by the Service Provider, the rate of maltreatment in care shall not exceed 9.0, as defined in the federal Child and Family Service Review, Round 3.



MIC Rate FY 2019



MIC Rate FY 2020



MIC Rate FY 2021

