

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



August 11, 2006

Gail Collins, MPA
Senior Child Welfare Specialist
Children's Bureau
Administration for Children and Families
U.S. Department of Health and Human Services
1250 Maryland Avenue, SW – 8th Floor (Room 8362)
Washington, D.C. 20024

Dear Ms. Collins:

Enclosed is the Initial Design and Implementation Report for the California Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project as referenced and required in as required and referenced in Sections 2.0, 2.3, and 5.2 of the California federal Waiver Terms and Conditions.

This report is the first quarterly progress report for the waiver demonstration and includes the final project work plan, demonstration phase-down plan, State standards to be incorporated into any county level public and private provider agreements, and specifies the counties intending to participate and the initial implementation strategies proposed by these participating counties.

If you have any questions regarding this report, please contact Linne Stout, Chief Resources Development and Training Support Bureau at (916) 651-6020 or Monisha Avery, Manager, IV-E Waiver Unit, at (916) 651-6024.

Sincerely,

A handwritten signature in cursive script that reads "Susan Nisenbaum".

SUSAN NISENBAUM, Chief
Child Protection and Family Support Branch

Enclosure

c: Debra Samples
Frank Mecca

California Department of Social Services
Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project
Initial Design and Implementation Report

This document provides the Initial Design and Implementation (IDI) Report for the California Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project (CAP), as required and referenced in the federal Waiver Terms and Conditions, Sections 2.0, 2.3, and 5.2, and submitted by the California Department of Social Services (CDSS).

I. Final Work Plan Section

CDSS Implementation Structure

The CDSS established the Title IV-E Waiver Unit in the Child Protection and Family Support Branch of the Children and Family Services Division to provide support for development and implementation of the Title IV-E Waiver. This unit is comprised of a Staff Services Manager and four staff who will provide project development and implementation support, technical assistance, training, site visits, and project monitoring for the life of the five-year project. A Research Program Specialist staff in the Research and Evaluation Branch of the Administration Division provides implementation support and contract monitoring for the CAP evaluation. Linne Stout, Chief, Resources Development and Training Support Bureau, is the CDSS contact for the waiver demonstration to the U.S. Department of Health and Human Services (DHHS), Administration for Children and Families (ACF), and Children's Bureau.

A cross-divisional implementation team comprised of staff from the Children and Family Services and Administration Divisions was developed by CDSS to support finalizing the capped allocation fiscal methodology and obtaining federal approval for the waiver demonstration. Since approval of the waiver on March 31, 2006, this core team has continued to provide the development and implementation support related to the fiscal, programmatic, and evaluation requirements for implementing the waiver demonstration project.

The CDSS CAP Implementation Team has two functioning workgroups: the fiscal workgroup coordinated by the Fiscal Policy Bureau (FPB) and the evaluation workgroup coordinated by the Research and Evaluation Bureau (REB). The Implementation Team and workgroups are partnered with the larger CAP State/County Project Workgroup that includes participating counties, County Welfare Directors Association (CWDA), community partners, and stakeholder and advocate representatives.

The fiscal workgroup is responsible for developing the federal and State allocation for each participating county, the claiming methodology, and reporting requirements. The Fiscal Workgroup will address issues related to financial accountability, cost allocation, and reporting/claiming for the participating counties in the demonstration project. This group will develop claiming procedures to ensure that the costs claimed on the ACF-IV-E-1 are based on the instructions issued by ACF and provide information necessary for preparation of the fixed schedule of payment for the five-year demonstration period as required by Section 4.2 of the federal Waiver Terms and Conditions. This workgroup will ensure the cost neutrality provision of Section 4.0 of the federal Waiver Terms and Conditions are met.

The evaluation workgroup is responsible for specifying the initial evaluation design, obtaining an evaluation contractor, evaluation contractor specifications, the evaluator contract, and the final

evaluation plan for submission to DHHS. This group will oversee the development of the evaluator contract, final evaluation plan, and provide contract monitoring for the five-year evaluation. This group also provides monitoring of county project activities and collection of service delivery cost data, and outcome data for all participating CAP counties from implementation on January 1, 2007, throughout the life of the five-year project.

The implementation of the CAP has involved a process of county and public informing, State-level development of the fiscal policy and procedures, CDSS Implementation Team specialized workgroup development, and engagement with interested counties, CWDA, and stakeholder groups. The timeframe to complete the State and county implementation process has established January 1, 2007, as the implementation start date, as referenced in Section 1.4 of the federal Waiver Terms and Conditions. At this time, CDSS is in the process of finalizing the State General Fund (SGF) allocation provisions, and upon finalizing these provisions, CDSS anticipates the possibility other interested counties may move forward and elect to participate in the CAP. Subsequent quarterly progress reports will update the final implementation plan to reflect any additional county participation and the approved final five-year County Implementation Plans for participating counties in the waiver demonstration.

Waiver Demonstration Key Tasks and Timeline

A. General Project Implementation

Tasks/Activities	Deliverables	Timeframe
Establish a support structure and implementation team for the waiver demonstration	<ul style="list-style-type: none"> • CDSS established IV-E Waiver Unit • CDSS cross-divisional implementation team • Develop specialized workgroups with areas of responsibilities and tasks 	Completed July 2004 Completed January 2005 Completed April 2006
Provide information to the general public, counties, public/private community partners, and stakeholder groups	<ul style="list-style-type: none"> • CDSS documents (ACL, ACIN, CFL) • CDSS - CFSD Webpage • Email address established • Conference calls and email communications • Press releases and public speaking presentations • County Forums 	April 2006 and ongoing
Establish Operating Authority for the Waiver Demonstration	<ul style="list-style-type: none"> • Inclusion of language in budget trailer bill 	Completed June 2006
Develop Cost Development Plan	<ul style="list-style-type: none"> • Establish claiming codes for State and counties • Submit Plan to DHHS 	Completed May 2, 2006 Completed June 30, 2006
Initial Design and Implementation Report	<ul style="list-style-type: none"> • Receive counties plan proposal summaries • Submit IDI report to DHHS 	Completed July 21, 2006 Completed August 2006

State/County Memorandum of Understanding	<ul style="list-style-type: none"> • Develop provisions for State General Fund, opt-out, State waivers, and fiscal claiming • Issue MOU to counties • Approved, signed, and executed MOU 	September 2006 October 2006 January 1, 2007
Prepare Director's State Waiver Package	<ul style="list-style-type: none"> • Identify statutes and regulations to be waived from county waiver requests and county plans • Notification to State Legislature • Issue legal notice 	November 2006
Implement Waiver Demonstration By January 1, 2007 Start Date	<ul style="list-style-type: none"> • Verify all implementation activities are complete • Verify counties are fiscally and programmatically set-up to implement projects 	January 1, 2007

B. Allocation, Claiming, and Reporting Procedures

Tasks/Activities	Deliverables	Timeframe
Develop Federal and State Allocations for Participating Counties	<ul style="list-style-type: none"> • Agreed upon federal allocation • Agreed upon State allocation • Release allocation letters to counties 	September 2006 December 2006
Develop State/County Claiming and Reporting Policy and Procedures	<ul style="list-style-type: none"> • County claiming and reporting procedures • State reconciliation to allocations completed • Quarterly federal reporting 	October 2006
Amendments to Cost Allocation Plan	<ul style="list-style-type: none"> • Prepare amendment to Cost Allocation Plan as needed based on the IV-E waiver demonstration • Submit amendments to DHHS for approval 	October 2006

C. County Selection and County Implementation

Tasks/Activities	Deliverables	Timeframe
Solicit County Interest in Waiver Demonstration	<ul style="list-style-type: none"> • Issue initial ACIN to solicit interested counties • Receive Letters of Interest • Hold interested counties forum and conference calls 	Completed April 2006

Solicit Letter of Intent from Counties	<ul style="list-style-type: none"> • Issue ACIN providing information and intent submission requirements • Receive Letters of Intent by due date 	<p>Completed June 30, 2006</p> <p>Completed July 21, 2006</p>
Five-year County Implementation Plans	<ul style="list-style-type: none"> • Provide instructions and technical assistance to intent counties for developing five-year plan • Receive plan submission by due date • Review and approve plans 	<p>August – September 2006</p> <p>September 29, 2006</p> <p>October 2006</p>
County Training and Technical Assistance	<ul style="list-style-type: none"> • Conference Calls • On-site fiscal training • Individual county technical assistance consultation • Field site visits 	August 2006 – January 2007
Implementation Start Date	<ul style="list-style-type: none"> • County-level project implementation begins • State-level project monitoring begins 	<p>January 1, 2007 and ongoing</p> <p>January 1, 2007 and ongoing</p>

D. Evaluation

Tasks/Activities	Deliverables	Timeframe
Initial Evaluation Plan	<ul style="list-style-type: none"> • Plan submitted to DHHS 	Completed February 3, 2006
Evaluation Contractor Specifications	<ul style="list-style-type: none"> • Submit specification for contractor agreement to DHHS for approval 	Completed June 30, 2006
Evaluator Contract	<ul style="list-style-type: none"> • Executed Evaluator Contract 	August – September 2006
Final Evaluation Plan	<ul style="list-style-type: none"> • Evaluator consultation with participating counties • Submit final evaluation to DHHS for approval 	Due 60 days after evaluator contract begins
Initiate County Evaluation Activities	<ul style="list-style-type: none"> • Site Visits to Counties • County TA and Training • Baseline Data Collection 	September – December 2006
Observation Data Collection	<ul style="list-style-type: none"> • Post Observation (1-6) Data Collection Begins 	January 1, 2007 and ongoing
Interim Evaluation Report	<ul style="list-style-type: none"> • Submit interim evaluation report 60 days after the 10th quarter 	June 1, 2009
Final Evaluation Report	<ul style="list-style-type: none"> • Submit final evaluation report six months after project ends 	June 30, 2012

E. DHHS Submissions

Tasks/Activities	Deliverables	Timeframe
Quarterly Report Submissions		
IDI Report – 1 st Quarterly Progress Report	<ul style="list-style-type: none"> Submit IDI Report within 120 days 	Completed August 2006
2 nd Quarter Progress Report (Period 8/06 – 9/06)	<ul style="list-style-type: none"> Submit quarterly report 	October 31, 2006
3 rd Quarterly Progress Report (Period 10/06 – 12/06)	<ul style="list-style-type: none"> Submit quarterly report 	January 31, 2007
Semiannual Progress Report Submissions	<ul style="list-style-type: none"> Upon implementation submit reports twice a year 	June 2007 and ongoing

Participating Counties and Proposed Implementation Strategies

The CDSS has issued two All County Information Notices (ACIN) related to implementation of the waiver demonstration project. In response to ACIN I-47-06, issued June 30, 2006, soliciting county participation, four counties (Alameda, Humboldt, Los Angeles, and Orange) have elected to participate in the CAP by submitting a Letter of Intent to CDSS by July 21, 2006. County submissions included fiscal data worksheets and a preliminary County Project Plan description. The CAP five-year County Implementation Plan is due to CDSS by September 29, 2006.

The initial implementation strategies provided by the counties are summarized below:

Alameda County

The county proposes to redirect financial resources from the existing congregate group home model to family-based resource homes and community-based services that more directly engage children and families with health, mental health, education, social, and self-sufficiency supports to achieve higher level of safety, permanency, and well-being.

The specific project strategies for Alameda County include:

- Implement a therapeutic foster care program and perform level of care assessments for group home care youth and Foster Family Agency foster youth for placement,
- Expand Differential/Alternative Response (Another Road to Safety - ARS) services that target families at-risk of entering, and re-entering foster care,
- Increased performance of structured decision making assessments to provide targeted services to children and families at high-risk,
- Provide family finding and engagement efforts for youth entering foster care and provide reinforced kinship care supports to place and maintain children with kin.
- Focus on Alameda County “Step-Up” placement matching program for establishing connections to kin and non-related relative extended family members for long-term foster youth,
- Extend After-Care services to reunified Child Welfare Services families and expand on current ARS and Parent Advocate programs,

- Collaboratively develop and utilize community/neighborhood-based resources for foster youth,
- Increased emphasis on alternative placement plans (concurrent planning) that lead to adoption or guardianship,
- Refine oversight of service delivery to better target specific issues for families and Independent Living Skills Program youth; and
- Target parent/caregiver incapacity issues by developing sober living environments and peer-based substance abuse treatment.

Humboldt County

The county proposes to implement strategies for the CAP within the framework of the Humboldt County Integrated Health and Human Services Agency operated under a State-level initiative for integrated and comprehensive health and human services programs (AB 1881). The objective of the project will be to implement strategies consistent with the 2005 - 2009 AB 1881 Phase II Strategic Plan: Transformation Towards an Excellence Based System. The focus will be directed to populations served by both Health and Human Services and Probation Department, with an emphasis on enhancement of existing services, such as, Public Health's Alternative Response Team, Transition Age Youth (TAY), and Integrated Services as identified in the Humboldt County Mental Health Services Act (MHSA) work plan.

Los Angeles County

The county proposes to use the funding flexibility to make strategic investments in the structural and programmatic reforms and accelerate local efforts already underway among county departments and community partners to improve outcomes for children. The county has identified universal and specific needs and requirements for dependent and delinquent foster care youth and proposes the development, implementation, and expansion of a wide array of programs and services to provide individualized services and strategies that are strength-based, family-centered, child-focused, and community-based. The array of services will span the continuum across early intervention, crisis intervention, intensive services, and permanency services.

The preliminary proposed interventions and supports will include, but are not limited to:

Early Intervention

- Coordination of a system of community-based family education, support resources, and services.

Crisis Intervention

- Enhancement of community collaborations including co-locating of county staff with community partners (law enforcement, hospitals, and schools).
- Expansion of comprehensive Multi-disciplinary Assessment Team process for children entering foster care.
- Expansion of team decision making conferences for placement and reunification.
- Development of Parent Advisory Councils and utilization of parent advocates.
- Implementation of a multi-agency community-based crisis intervention team.

Intensive Services

- Enhancement of performance-based contracts for foster family agency and group homes to include intensive family finding and reconnection, mentoring, reunification, and aftercare services.
- Enhancement of performance based contract for Wraparound services.
- Utilization of a multi-disciplinary process, in conjunction with structured decision making, team decision making, and family conference models.
- Increased referral for existing Multi-systemic Therapy and Functional Family Therapy for targeted families.
- Expanded use of home-based services by families of delinquent youth.
- Expanded use of evidenced-based, family-focused, services and strategies for selected families in high crime and high need neighborhoods.
- Expansion of parent skill-building and training services for families of high risk and high need youth.
- Development of therapeutic foster family care homes.
- Development of visitation centers for children and families, visitation monitoring training for caregivers, and development of a Community Needs Assessment to support reunification.
- Development of an alternative program design and funding models for residentially based services, focused on treatment, family support, and permanency.

Permanency Services

- Expansion of team decision making and family conferencing and expansion of department identified protocols to ensure that concurrent planning activities begin at the earliest point in the case and that families understand the need for permanency planning for children.

Orange County

The county proposes to use the flexible Title IV-E funds for contracted services supporting Differential Response, Intensive Services Workers, and Voluntary Family Unification programs. The contracted services will include, but are not limited to, Intensive In-Home Support, Emergency Intervention Services, and increased Diversion funds.

II. Project Phase-down Plan Section

As stated in the federal Waiver Terms and Conditions Section 2.2 (g), participating counties will be required to determine Title IV-E eligibility during the five-year demonstration project based on current federal regulations. Therefore, upon the conclusion of the waiver demonstration, this eligibility determination will be the documentation to transition from the CAP to the current federal program requirements for Title IV-E reimbursement.

If a county determines that it must terminate participation in the waiver demonstration and exercises the opt-out election, the county must successfully implement a transition strategy and would use this same documentation to determine eligibility to Title IV-E reimbursement. The CDSS approved five-year CAP County Implementation Plan will specify the county level transition plan that ensures case plans for services to children and families are adjusted for the post-waiver period upon phase-down of the project.

III. State Standards and Requirements Section

California operates a State-supervised/county administered system for Child Welfare Services. Under this system, California counties administer the county child welfare program and CDSS monitors and provides support through regulatory oversight, administration, and the development of program policies and laws. The standards for quality and safety, and practice requirements as specified in federal and State law, State regulations, and CDSS policy and procedures that counties are required to meet are identified below. These same standards and requirements are identified by the State to be incorporated into any agreements with county level public and private providers that would be providing support and services to children and families under the waiver demonstration.

- Federal laws and policy regarding child welfare.
- California's State Statutes and Welfare and Institutions Codes regarding child abuse, substance abuse, mental health, and education requirements.
- Child Welfare System Improvement and Accountability Act of 2001 (AB 636) requirements.
- CDSS Manual of Policy and Procedures issued to the local County Welfare Departments regarding child welfare organizations and management requirements.
- All County Letters and County Fiscal Letters issued to County Welfare Departments to inform or clarify mandated requirements regarding safety, well-being and practice requirements.
- Federal cost principle (A-87).

IV. Evaluation Section

Development of the Evaluation Plan

From July 1, 2005, through December 31, 2005, a consultant was hired by CDSS to assess the types and availability of data necessary to support the evaluation of the CAP. The completed work during this initial project phase included:

- Assessing the availability of case management data (from the Child Welfare Services/Case Management System (CWS/CMS)).
- Outlining an approach for collecting process baseline and process change data and service delivery cost data from the counties.
- Drafting an evaluation plan, including outcome, process and cost study components for submission to the U.S. Department of Health and Human Services (DHHS).

Selection of an Evaluation Contractor

Begun in October 2005, the search for an evaluation contractor yielded 12 potential evaluation researchers in California with strong background and experience in Social Science research.

Candidates were further screened based on their experience in the Child Welfare area and specifically in Title IV-E program evaluation, as well as their current affiliation with either the California State University or the University of California systems. Dr. Charlie Ferguson of California Institute on Human Services (CIHS) at Sonoma State University was selected as the evaluation contractor.

Development of the Evaluation Contract Specifications and Contract

Within 60 days of the approval and signing of the federal Waiver Terms and Conditions, contract specifications were finalized and forwarded to DHHS for review. Evaluation contract Scope of Work and all contract-related documents, including anticipated sources of data to support the evaluation, were finalized in July 2006. The evaluation contract is undergoing internal Department review. Full execution is anticipated by August 31, 2006, after which the Final Evaluation Plan will be forwarded to DHHS within 60 days. Pre-waiver data collection is expected to begin immediately upon contract execution, to establish a comparison baseline prior to actual implementation of the CAP.

Waiver Demonstration Evaluation Activities

Monitoring of county project activities and collection of service delivery cost data and outcome data for all participating CAP counties will begin upon implementation on January 1, 2007, and continue throughout the five-year waiver demonstration project.