



**Dave Heineman**  
Governor

# STATE OF NEBRASKA

## STATE FOSTER CARE REVIEW BOARD

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Senator Lavon Heidemann  
Appropriations Chairperson  
State Capitol, Room 1004  
Lincoln NE, 68509

Dear Senator Heidemann:

Please find enclosed the Foster Care Review Board's report detailing specific actions and plans to implement budget actions pursuant to Legislative Bill 1, Legislative Bill 2, and Legislative Bill 3, One Hundred First Legislature, First Special Session, 2009.

Copies for the committee members, legislative and budget analysts are enclosed.

The Foster Care Review Board would like to thank the Appropriations Committee for its on-going support of the work of the Foster Care Review Board.

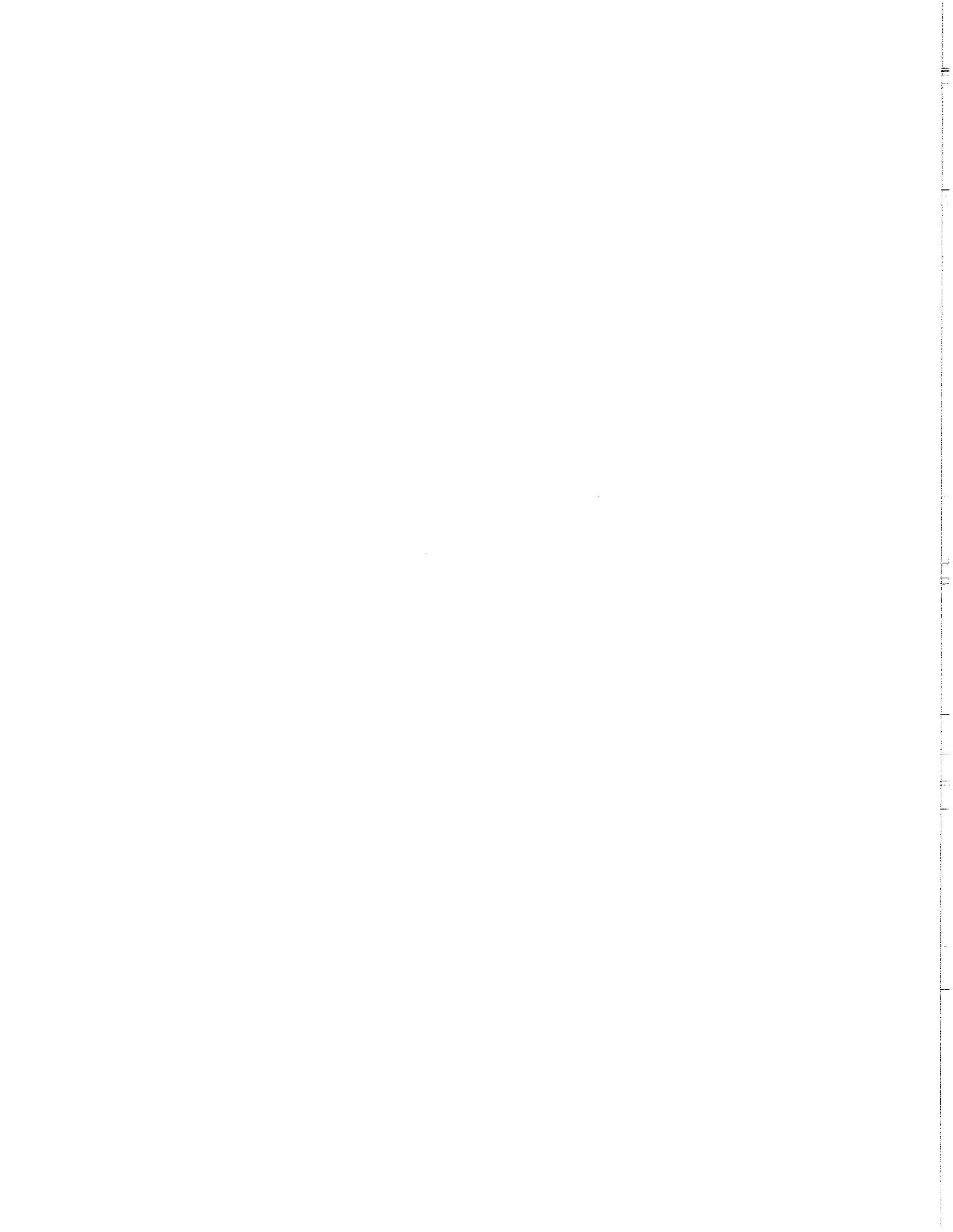
Please do not hesitate to contact us if you have any questions regarding this report.

Sincerely,

Linda M. Cox  
Special Projects Coordinator

Mary Furnas  
Program Coordinator

Heidi Ore  
Administrative Coordinator



## **Report to the Appropriations Committee Agency 70, Foster Care Review Board**

The following is the required report to the Appropriations Committee of the Nebraska Legislature regarding the actions and plans of the Foster Care Review Board to implement LB 1, 2, & 3 from the One Hundred First Legislature, First Special Session, 2009.

### **Mission Statement**

The State Foster Care Review Board's mission is to ensure the best interests of children in out-of-home care are being met through external citizen review, monitoring facilities that house children and youth, maintaining up-to-date data on a statewide tracking system, through legal standing, and disseminating data and recommendations through an Annual Report.

### **The Board accomplishes this mission by:**

- Maintaining a computerized tracking system on all children and youth in out-of-home care. (Neb. Rev. Stat. 43-1303)
- Collecting and verifying information on children and youth in out of home care. (Neb. Rev. Stat. 43-1303)
- Reviewing the plan, services, and placements of children in out of home care by multi-disciplinary, community based, trained citizen volunteers. (Neb. Rev. Stat. 43-1308, 43-1312)
- Making findings based on the review and the specific rationale for these findings. (Neb. Rev. Stat. 43-1308,(1)(b))
- Sharing the findings with all legal parties to the case. (Neb. Rev. Stat. 43-1308,(1)(b))
- Promoting safety, security and permanency for children. (Neb. Rev. Stat. 43-1303, 43-1308)
- Improving the foster care experience for children, (Neb. Rev. Stat. 43-1308), which includes working to obtain appropriate, safe, and permanent placements for children, reduce the number of placements children experience, reduce the number of times children enter care, and reduce the time children spend in out-of-home care.
- Disseminating information on children in out-of-home care. (Neb. Rev. Stat. 43-1303)
- Releasing an annual report containing the data collected, an evaluation of such data and recommendations. (Neb. Rev. Stat. 43-1303)
- Visiting facilities for children in out of home care (Neb. Rev. Stat. 43-1303(6))
- Organizing, sponsoring and participating in educational programs. (Neb. Rev. Stat. 43-1317)

### **Total Cuts to the FCRB**

The following cuts will be made to the Foster Care Review Board's program, Budget Program 116. The across-the-board cuts implemented by the Special Session of the Legislature reduced the Foster Care Review Board's general and federal funding by the following:

<b>Fiscal Year</b>	<b>General Funds</b>	<b>Federal Funds</b>	<b>Total Cuts</b>
FY 2010	-\$35,698	-\$8,887	<b>-\$44,585</b>
FY 2011	-\$73,216	-\$18,304	<b>-\$91,520</b>

**Loss of federal funds**

The Foster Care Review Board receives matching funds for general fund appropriations, thus a loss of general funds also reduces the Board's federal fund match. The amounts for each fiscal year are shown in the above chart.

**Summary of the Foster Care Review Board's cuts for FY 2010 & FY 2011**

The Foster Care Review Board will reduce its expenditures by \$47,811 in fiscal 2010 by not filling an open full-time staff supervisory position that was filled for a portion of FY2010 but not re-hired.

The Foster Care Review Board will reduce expenditures for FY 2011 by \$69,103 through not filling the supervisor position during the year. In addition, during FY 2011 the Board will reduce expenditures by \$16,836 through filling a review specialist position at 0.67 FTE, rather than at full-time.

In order to reduce expenditures by the \$5,580 necessary to fully meet the \$91,520 cut from the Board's FY 2011 Budget, the Foster Care Review Board plans to utilize one or more of the following: staggered one-day furloughs, reduced operations spending over the next fiscal year, and/or through possible vacancy savings.

**Justification**

The Foster Care Review Board implemented its proposed Budget Modifications as presented in the Board's 2009 – 2011 Biennium Budget Request, which outlined staff reductions. Both positions affected by these cuts were open at the time of the 2009 Special Session of the Legislature.

The Foster Care Review Board considered several alternative means to meet the budget reduction, including cuts to operations and furloughs.

Meeting the budget reductions solely by cuts to operational costs such as telephone, postage, copying, rent, data processing, and other items would be difficult since the Board is required to make certain contacts, provide certain notifications, and issue certain reports, and needs space for staff and permanent files.

The Foster Care Review Board would realize \$4,158 in savings for each furlough day implemented for all staff persons. Ten furlough days per staff member would need to be implemented to fully meet FY 2010's budget cut and 22 furlough days per staff member would need to be implemented to fully meet FY 2011's budget cuts. Implementing furloughs in this manner was determined to be potentially detrimental to the timely and

critical work of the Foster Care Review Board to track and review Nebraska's foster children, and thus this option was rejected.

### **Impact of Staff Reductions**

The Central West Review Specialist Supervisor supervised three staff persons and reviewed cases as a Review Specialist for the Norfolk area. The work to supervise Review Specialists in the Central West area has been redistributed to the existing FCRB Review Specialist Supervisors and the FCRB Program Coordinator.

To review children in the Northeast area, an open full-time Omaha Review Specialist position was reduced to a 2/3 position and moved to the Northeast area to better meet the Board's mandate to review all children statewide and to ensure coverage in that area.

As a result of these reductions, the Board will not be able to provide the benefits of citizen review to 120 of Nebraska's foster children.

### **The value of citizen review for Nebraska's foster children includes:**

- A review of whether the children's **placement is safe and appropriate**.
- A review of whether the child's **case plan for the future is practical and safe**, so that the child neither lingers unnecessarily in foster care nor goes home prematurely.
- A review of whether the child is **receiving services** as needed.
- Advocating for **appropriate and timely permanency**, including reviewing whether relative placements have been appropriately considered and/or if paternity has been established.
- **Providing comprehensive recommendation reports**, which are issued all legal parties to the child's case with an immediate action plan to improve the child's life, care, or permanency and to resolve concerns.
- The Foster Care Review Board's staff **pro-actively works with DHHS and the courts** to promote children's best interests as evidenced by participating in 500+ staffings with DHHS and appearing in court 600+ times during the last calendar year.
- **Further advocacy**, tours of child caring facilities and/or child specific visits, and advocating for systemic reforms.
- **Providing an unbiased analysis of Nebraska's foster care system**, which is shared with the Governor, the Legislature, the Courts, DHHS, other child welfare professionals, and the public.

The Foster Care Review Board's work to review and track Nebraska's foster children is especially critical since DHHS has privatized all services for foster children, as described below.

### **Budget Cuts & the Impact of Privatization of children's services on the FCRB**

The Foster Care Review Board is especially concerned about the reductions to the Board's budget because the DHHS privatization of foster children's placements and services is negatively impacting the Board's ability to review and track children in out-of-home care. The full extent of this impact is unknown at this time because the

transition of cases to private contractors that began in November 2009 has not yet been completed.

What is known at this point is that the DHHS decision to contract services to foster children **has increased the Foster Care Review Board's efforts required** in order to track and review children.

- It is more difficult to track the 9,000+ children who are in out-of-home care each year as more persons must be contacted if there is omitted or conflicting information about the child, the child's placement, the contractor responsible for the child's care, the location of the child's file, and/or the DHHS case manager in charge of the case.
- Conducting 4,500+ reviews statewide each year has been complicated by reviewing files in multiple locations, needing to obtain updates from multiple parties, and working with additional entities to resolve cases.

**Privatization complicates the Board's ability to know:**

- If a child is in foster care,
- Who is in charge of delivering services to the child and whether planned services being delivered,
- Where file information on the child's case is located,
- Where the child is placed,
- What services are being delivered to the child, biological family, and foster children, and
- What the data shows on how children are being cared for under this system.

In the newly privatized system, for each review conducted the Foster Care Review Board's reviewers are, of necessity, educating new providers regarding our role, contacting both the DHHS case manager and the service coordinator (who will be provided by one of the 11 different contracting entities) as each has different information regarding children's cases. Files may need to be reviewed at both locations. This will impact mileage and telephone expenses, as well as the amount of staff time needed to conduct a review.

The Board must also continue to contact the child's placement during each review. These placements now may be a direct hire of the 11 major contractors, or may be obtained through a sub-contract that any of the 11 major contractors has entered into. It is anticipated that there will be more difficulties in determining where children are placed so the required contacts can be made.

As the Legislature's performance audit on transportation recently found, "DHHS does not have a comprehensive system in place to review contract performance." The only change since that report is that DHHS is letting additional contracts, without clearly specifying expectations and outcomes.

**The Foster Care Review Board is tracking the impact of privatization on Nebraska's foster children**

In order to report on outcomes for children per Neb. Rev. Stat. 43-1303, and in order to promote children's best interests, the Foster Care Review Board will report outcomes regarding transportation, visitation, and placements under the contract system by:

- Identifying and verifying the primary regional contractor responsible for service coordination during FCRB reviews.
- Gathering information during the review process on whether a subcontractor is providing visitation supervision, transportation, or placements.
- Gathering information on whether the regional contractor responsible for service coordination provides visitation supervision, transportation, or placements for each child reviewed.
- Reporting this information to the Legislature and other policy-makers.

There are other conditions that have impacted the amount of time needed to track, review and advocate. A few of these include:

- DHHS case manager vacancies, which have impacted the evidence available regarding children's cases.
- Previous transfers from the ICCU's (Integrated Care Coordination Units), where case files were lost, and it appeared many children were returned home prematurely, impacting the number of children returning to care.
- The number of "non-court" cases, where children are in out-of-home care for several months or longer without any court oversight.
- The loss of a review specialist supervisor position, which diminishes the Foster Care Review Board's ability to oversee review specialist's performance and to advocate for foster children by staffing (meeting on) cases with DHHS and private contract companies to resolve case concern.

**Oversight of foster children's care through external citizen review is imperative.**

The Legislature put the Foster Care Review Board in place to provide oversight. DHHS is spending millions of dollars privatizing the system. It is critical and fitting that the Foster Care Review Board provides oversight of this system to ensure children's health, safety, and well-being, to report on whether the State's limited resources are being used effectively and achieving needed results, and to begin work to address any issues as they are identified.

**Maximizing the effectiveness of the Foster Care Review Board**

Given the challenges faced by Nebraska's foster children, the Foster Care Review Board is working hard to utilize creative means to streamline its processes and achieve efficiencies.

This will ensure that the benefits of citizen review are maximized and provided to as many children in foster care as possible, and that the Board continues to positively impact individual children's cases and the child welfare system as a whole.

**Trained citizen reviewers donated \$647,750 last year alone.**

The Foster Care Review Board has utilized in-kind contributions to maximize effectiveness. Citizen review volunteers from a variety of professional backgrounds in communities across the State **donated over 31,200 hours** last year to review children's cases. Using recognized accounting standards this translates to **an in-kind contribution of \$627,750** for the volunteer's time on an annual basis.

These citizen volunteers are also not reimbursed for their travel expenses. **Citizen volunteers donate about \$20,000 per year in mileage** to review children's cases.

**Citizen volunteers have donated a total of \$647,750 in time and mileage** to the State of Nebraska to assure the best interests of foster children are met.

The Board has also has worked with libraries, churches, and other institutions across the state to use their facilities for our review meetings at no cost. This has **saved the agency about \$22,650 per year in facility rental fees.**

**Funding lost in 2003-2004 has not been restored**

The Foster Care Review Board would like to highlight for the committee that **when the budget cuts occurred in 2003-2004, the Foster Care Review Board's budget was cut by \$208,772 in general funds.** From a staff of about 30 persons, this necessitated a reduction of 5 review specialists and 0.33 FTE for a supervisor. Since that time funding for one review specialist position has been reinstated, still leaving the FCRB understaffed.

**The proposed cuts will leave the Board with a total of 25.71 FTE's,** which includes all of the Foster Care Review Board's staff, administration, and Director.

The staff track over 9,000 children in foster care each year, conduct over 4,500 comprehensive reviews, advocate for the children reviewed, gather and analyze data on the children tracked and reviewed, and provide the Legislature, the Judiciary, HHS, the public, and other stakeholders with critical information on the status of the foster care system.

Due to the ongoing understaffing, the State Board approved a prioritization system for reviewing cases. Reviews of children in out-of-home care who are eligible for Title IV-E federal funds, special requests, and younger children who are not IV-E eligible are prioritized. Therefore, the agency has not been able to review many of the older children and youth since the 2004 funding cuts. The older youth population continue to be of great concern as they age out with little preparation for adult living.

**The Foster Care Review Board urgently needs to update and replace outdated or poorly functioning technology in FY 2010**

The Foster Care Review Board would like to make the Committee aware that in FY 2010 the Board will make a one-time purchase of computers to replace its seven-year-old

computers and the 10-year-old word processing and e-mail software currently in daily use by the staff. The replacement of failing technology is vital for the efficiency and productivity of the agency.

Some of the hardware is functioning poorly, and it is not cost-efficient to repair it. The software is no longer supported and obsolete. While recognizing the current budget difficulties, this purchase is necessary for the basic functioning of the agency, and will maximize the agency's staff time to complete their work on behalf of Nebraska's foster children by reducing current problems and frustrations with outdated equipment.

It has been determined that upgrading individual machines would be less efficient than global replacement since none of the Foster Care Review Board's current computers meet the minimum system requirements for Office 2007 and Windows 7, and because upgrades for some staff and not others would effect file compatibility across the agency.

**Thanks to the Legislature**

The Foster Care Review Board would like to thank the Appropriations Committee and the Legislature's on-going support of the work of the Foster Care Review Board.

Respectfully submitted January 15, 2010

