

Meeting Summary/Minutes
Family First | Fiscal and Revenue Enhancement Workgroup
February 8, 2021 | 3:30 - 5:00 pm | Zoom Meeting

Welcome and Introductions

- The co-leads for the workgroup, Cindy Butterfield and Allison Blake, recapped the PSAWG presentation from the last meeting, in which Elizabeth Duryea and Elisabeth Cannata reviewed the PSAWG process and initial recommendations. There were no remaining questions on this matter.
- Don Winstead joined the call to discuss Maintenance of Effort.

Maintenance of Effort: A Summary

- For more detail, please see the slides from this meeting, available on the Family First website.
- Workgroup members may be familiar with similar requirements for other policies. Essentially, Maintenance of Effort (MOE) means that this program's funding should supplement, not supplant, current funding.
- The MOE analysis is based on Fiscal Year 2014, which is due to when the legislation was written (the year is somewhat arbitrary - it was not picked for a special reason).
- Certain federal funding is included (TANF, Title IV-B, SSB6) as well as other state mental health, substance use, or in-home parenting programs (not IV-E) that apply to candidate populations.
- After the MOE is calculated at submission and the plan is approved, that calculation is final and will not change, even if programs are added to the Clearinghouse.
- The MOE will determine a baseline level of expenditure - any amount spend above that baseline will be eligible for up to 50% reimbursement from Title IV-E funding.
- Don provided the sources of information about MOE that he used but highlighted that there is limited guidance and some variation in interpretation exists.

Discussion and Q&A

- **Q:** Is Medicaid included in the calculation?
A: It is not listed as included in the calculation. There is no policy that explicitly says it is not included but because it is not listed, it can be assumed to not be part of the calculation.
- **Q:** Would this include funding streams like MIECHV?
A: No. In general, the MOE only includes the Title IV-E agency, which in Connecticut's case, would be DCF. MIECHV goes through OEC, not DCF, so it would not be included.
- **Q:** Because the 2014 baseline is unchangeable after submission and we are reimbursed above the baseline, would it be more strategic to have that number be more "modest"?

- A:** A lower legitimate number is better, since if it is above, 50% can be reimbursed.
- **Q:** Do jurisdictions that submit earlier have any advantage?
A: Yes, in some sense, there is an advantage because fewer programs are on the Clearinghouse and count towards the MOE. Because it is a one-time calculation, programs being added would not affect their MOE, but it would affect anyone who has not submitted yet, as they would then have to count it towards theirs.
 - **Q:** How do states handle a situation where their current candidacy definition is different from the 2014 definition?
A: If it is broader than in the past, states will need to consider whether to use the old or new definitions - it seems like the newer would probably apply, but this has not been authoritatively answered. If a program existed in 2014 but it was not used on the candidacy population, then it would not apply. If a state were to apply with a narrow definition and then update their plan with a broader definition, they would not need to redo the MOE. Also, if there is not sufficient data from 2014, then states may need to estimate the cost using their best judgement.
 - **Q:** Is CBCAP part of the calculation?
A: No, just the big-name streams listed on the slide.
 - **Q:** Is there a list of current programs that draw down MOE dollars? It seems like the goal would be to see what is not on the MOE list to include and then set up a robust system. If current programs are already being funded, will there be an RFP process?
A: In order to establish MOE, a program must be in the Clearinghouse and funded in 2014. We would need to see if it existed at the time and if so, whether it was the same version. There may be some nuance in what age group was available. If the state was not spending money on it in 2014, then it would not count.
 - **Q:** If post-submission, programs are added, would it impact the MOE?
A: No, this is a one-time calculation. Once the plan is submitted and approved, the MOE is locked in.
 - **Q:** It has been confirmed that the administrative costs for programs covered by Medicaid could be covered by Title IV-E (though not the programs themselves) - what about children not covered by Medicaid (e.g. undocumented children)?
A: Don believed that Title IV-E restrictions prevent funding from going towards undocumented children, but a consultant from Chapin Hall reports they may be eligible for reimbursement.
 - **Q:** What about other children not covered by Medicaid?
A: If they were being paid for through the MOE funding streams, then they would continue to be funded through those streams. If not, then they could potentially count for Family First, depending on if they meet the eligibility requirements.
 - **Q:** Do the funds have to come from DCF?

A: Yes, but certain requirements must be met. There may be other agreements with other state agencies. One state has its own prevention agency, but they decided not to have it go through that agency because they are not the IV-E agency.

- **Q:** CT has been implementing EBPs for years, and there are many well-funded already. The list of Tier 1 and 2 services is relatively small. Is the benefit to the state the revenue for implementing new models, or is it in the match for those already being paid for? In essence, what is the net gain for the state? For providers?

A: First of all, it would depend on the EBP, its start time, and its funding stream. If it applied to candidates in 2014 and was funded, any increase in service would mean a 50% match. Or suppose something was Medicaid-funded and kids now get case management - that could also be claimable depending on participation requirements. States can get more reimbursement for an increase in services in the same activities. Although it is true that there may be a higher benefit for states who have not invested as much in EBPs, this does provide us with the opportunity to introduce new services. Further, it will result in fewer children coming into care, which is a benefit for everyone.

- **Q:** Would doing an RFP for programs on the list that are not in CT mean more money and prevention for kids?

A: This is an opportunity to get funding with fewer requirements than before. We will need RFPs for new services or to enhance capacity.

- Cindy quickly pointed out that there could be potential ethics issues in this workgroup that members should be aware of. All information discussed in this workgroup will be available - the slides and minutes will be posted on the website. That being said, it is important that no inside information is given out that could influence providers' decision-making. We do not want anyone to be precluded from later participation. Please be mindful of where discussions are going and consider the ethical implications of your participation.
- A workgroup member commented that it is important to leverage initiatives across agencies - we need to be aware of these and continue to connect.
- Another way Family First simplifies things is that previously, there were income requirements for these programs. Those income requirements have been eliminated, and it is now a simpler process than grant-funded programs in the past. Of course, if something is Medicaid-reimbursable, then DCF would pursue that. The prevention plan is not simple to set up due to the complexity of the plan and cost pools, but once it is set up, it is a lot simpler to navigate.
- One member pointed out that for providers, there is a big difference in requirements for something that is grant-funded vs Medicaid funded. There are benefits and disadvantages for each, as well as critical decision-points. We also need to consider families with commercial insurance and uninsured folks - there is a growing percentage of uninsured adults. The intersection between service and funding is an important one.
- **Q:** Is Title IV-E paid for by rate like Medicaid? If so, how is that set?

A: Title IV-E reimburses the state, not the provider. The state would be paying the service provider, and then the state would be reimbursed. In Connecticut, this money would go back into the General Fund, not to DCF directly. This is a good thing because it means DCF is budgeted for all its expenses and not expected to generate revenue.

- **Q:** Should OEC be included?

A: Although OEC also has prevention programs, the MOE only really applies to the IV-E agency (DCF), unless a program is provided by OEC but paid through DCF. Don added that if it is possible, it is best to avoid including other agencies in the MOE. After establishing the plan, there are a new set of complexities regarding interagency agreements.

- There was some discussion regarding state funding for MIECHV. OEC is not the IV-E agency, so they will not be included in the MOE calculation. That being said, workgroup members emphasized the importance of our work being guided by what is best for children and families, not just the funding. Blending and braiding funding on the state level is important to create a collaborative system. Cindy Butterfield explained that as we work towards the plan, our workgroup's task is determining how to fund the programs. The final decisions will not be made by this workgroup; rather, the Governance Committee and Commissioner will use our analyses to inform their decisions. This workgroup's goal is to provide options, not make final decisions. Also, DSS, OEC, and DMHAS representatives are all included on the call and have participated in other workgroups, so there is involvement from multiple state agencies in the process. A workgroup member highlighted that this is an unprecedented opportunity to break the cycle of racism and poverty. Cindy added that it is important to highlight opportunities that we may not be seeing - bring those to the workgroup's attention.
- A workgroup member pointed out that although it is key for us to embrace this opportunity for change, it is also important to be conscious that touching one part of the system can radically affect the rest of the system. "Not everything is broken," they explained, and we need to focus on the issues without damaging other parts of the system. Further, Family First is not a panacea for all our systemic problems.
- **Q:** What is the involvement of OPM?
A: There is one analyst under the bureau that keeps a close eye on revenue enhancement. They would look at the rollout and potential opportunities. There is also a group of people who work collaboratively on that; many folks in OPM come from Health and Human Services agencies and are familiar with the work.
- **Q:** How might the prevention plan enhance coordination?
A: Cindy explained that we want to make the best possible prevention plan and support it with revenue. The fiscal aspect is important, but our goal is the best plan. Decisions will not be based on the MOE. We want to cause no harm to the system. As was initially mentioned, there is no new money coming in.

- Michael Williams utilized the metaphor of a GPS, where we are guided by two principles: 1) intervene and strengthen families before they reach the Careline, since families will do better with prevention. DCF is not the only provider - we must strengthen the community, and 2) when there is an open case, we must aim to keep the children safely at home and prevent foster care. The fuel comes from funding solid partnerships and coordinating collaboration between agencies.
- Maine has submitted a plan with lots of cross-agency cooperation, but that is harder for those of us who are more specific.
- **Q:** If the state claims a program, it can receive reimbursement, but it would still have to pay 50% of that - where is that matching money going to come from?
A: The state technically needs to pay 100% of the cost upfront, and it can then receive 50% for reimbursement. As Cindy explained, the goal is to keep children out of foster care, which is expensive. Putting that money into the program instead of foster care would make up for the added expense, and it will also lead to better outcomes for children. This is the best opportunity for families, but it is also better in fiscal terms. Spending money at the beginning will mean saving money over time. Don agreed that this is a great point; a criticism of IV-E as before Family First was that its incentives did not align with the goals of child welfare. With Family First, those goals and incentives are now in alignment.
- **Q:** For the rollout, might it be best to take a measured approach and see how we do, given that we can't do everything all at once?
A: Cindy did not feel comfortable speculating about the rollout at this point. The workgroup will put forth options. The pilot may be palatable, but we first need to size and make determinations before we can determine how that will look. The plan will evolve through implementation as well.

Next Steps

- The next meeting will be **Friday, February 23 from 21:30 - 2:00 pm**. We will discuss the cost-benefit analysis.
- Cindy and Allison thanked Don for explaining the MOE and providing such clear answers to the workgroup's questions.