

STRENGTHENING THE FOSTER CARE SYSTEM AND SAVING VIRGINIA MILLIONS OF DOLLARS

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TABLE OF CONTENTS

Important Details	4
Acknowledgements	4
Disclaimer	4
Honor Statement	4
Executive Summary	5
Introduction and Problem Statement	6
Background	7
Recent Legislative Overview	7
Understanding Therapeutic Foster Care	7
Therapeutic Foster Care (TFC) in Virginia	8
Foster Care Financial Costs	10
State Comparisons	11
Unique Programs in Virginia	12
Methodology	14
Evaluative Criteria	14
Criteria 1: Effectiveness	14
Criteria 2: Cost	14
Criteria 3: Feasibility	15
Alternatives	16
Alternative 1: Status Quo	16
Alternative 2: Champion Fostering Grant Program	17
Alternative 3: Kinship Kares Grant Program	18
Alternative 4: Foster Care Training Together Program	20
Decision Matrix	22
Recommendation	23
Implementation	24
References	26

IMPORTANT DETAILS

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DISCLAIMER

The author conducted this study as part of the program of professional education at the Frank Batten School of Leadership and Public Policy, University of Virginia. This paper is submitted in partial fulfillment of the course requirements for the Master of Public Policy degree. The judgments and conclusions are solely those of the author, and are not necessarily endorsed by the Batten School, by the University of Virginia, or by any other agency.

HONOR PLEDGE

On my honor as a student, I have neither given nor received unauthorized aid on this assignment.

EXECUTIVE SUMMARY

JLARC produced a report in 2018 on the state of foster care in Virginia. This report initiated conversations and actions towards improving the Virginia Department of Social Services. While many strides have been taken, localities are still reporting that they are suffering from a shortage of state contracted foster parents. As a result, localities are having to use private placement agencies to place children in therapeutic foster care homes. Therapeutic foster care (TFC) is costly and was created to support children with high levels of need; however, localities have reported that a high percentage of children are being unnecessarily placed in TFC homes. **In FY2017, \$183 million dollars, 60% of the entire foster care budget allocated in the Children's Services Act, was spent using private placement agencies to place foster children in TFC.**

This report evaluates current literature on TFC and various programs being used to combat this problem. Findings show that localities need assistance in recruitment, training, and staffing to compete with the support services and social engagement incentives private placement agencies provide.

Four alternatives are presented that could uniquely decrease the amount of money Virginia spends annually using private placement agencies. Each alternative is evaluated against the criteria of effectiveness, cost, and feasibility.

- Alternative 1: Status Quo
- Alternative 2: Champion Fostering Grant Program
- Alternative 3: Kinship Kares Grant Program
- Alternative 4: Foster Care Training Together Program

This report concludes with a recommendation to implement Alternative Two, the Champion Fostering grant program. This option was ranked high in effectiveness by focusing on increasing the number of state contracted foster parents. Additionally, it was ranked medium in cost and medium in feasibility. This program has the potential to decrease state spending in this area by 50%, while still providing foster children the highest level of care.

INTRODUCTION AND PROBLEM STATEMENT

In January 2019 the Virginia General Assembly created a bipartisan Foster Care Caucus. (Feerick, 2019) This caucus was created as a result of research conducted by JLARC which increased conversations awareness or issues surrounding the state of foster care in Virginia. The caucus introduced several pieces of legislation to combat many of the legal and systematic problems the foster care system was encountering. The Virginia Commission on Youth (VCOY), the Joint Legislative Audit and Review Commission (JLARC), and several nonprofits have focused on understanding the severity of barriers Virginia's Department of Social Services (VDSS) is facing in the overall foster care process. While agencies and organizations continue to research the factors that are contributing to the problems with Virginia's foster care system, this report will focus directly on the severity of Virginia's state spending on therapeutic foster care.

In FY2017, \$183 million dollars, 60% of the entire foster care budget allocated in the Children's Services Act, was spent using private placement agencies to place foster children in therapeutic foster homes (TFC), also referred to as treatment foster care, and congregate care. (JLARC, 2018) TFC is a foster care setting designed and beneficial for children with high behavioral issues; however, localities that do not have a relative foster care home or a non-relative foster care home available are forced to use a private agency to place children at a TFC home. These privately-run facilities and placement firms are costly, and according to a JLARC survey from 2017, 97% of local department staff claimed a portion of children placed in TFC homes could be placed in a regular foster home if one were available. (JLARC, 2018)

BACKGROUND

RECENT LEGISLATIVE OVERVIEW

In February 2018, President Trump signed the Bipartisan Budget Act of 2018. In this, the Family First Prevention Services Act reformed the funding sources, Title IV-E and Title IV-B of the Social Security Act, that assists families at risk of being part of the child welfare system. (VA Kids, 2018) Voices for Virginia's Children describe this bill as aiming to "prevent children from entering foster care by allowing federal reimbursement for mental health services, substance use treatment, and in-home parenting skill training before children are removed from their home. It also seeks to improve the well-being of children already in foster care by providing incentives to states to reduce placement of children in congregate care." (VA Kids, 2018) Following this, in January 2019, the first bipartisan foster care caucus for the Virginia General Assembly met in order to educate legislators on the issue. State legislators then passed several bills and budget amendments. Governor Northam signed them into law and they took effect July 1, 2019. Virginia is still implementing these changes and several stakeholders are reporting on the aftermath. (WTVR, 2019)

UNDERSTANDING THERAPEUTIC FOSTER CARE

Children entering the foster care system have four placement options, relative foster care (kinship care), non-relative foster care, non-relative therapeutic foster care, and congregate care. Foster child placements are done through state social services agencies, and children are either placed with a family directly trained by the agency or with a family trained by a private foster care placement agency. Historically, private placement agencies were utilized primarily for children that needed therapeutic foster care. These agencies provide additional support and services to foster parents caring for high need children. A 2018 study, *State Practices in Treatment/ Therapeutic Foster Care (TFC)*, was conducted by the Office of the Assistant Secretary for Planning and Evaluation. The agency defines treatment foster care as "a family-based placement option for children with serious behavioral, emotional, or medical needs who can be served in the community with intensive support." (Seibert, Feinberg, Ayub, Helburn, & Gibbs, 2018) TFC was created for children that need more help than can be provided in a standard foster care home, but are not to the severity of needing group or hospital care.

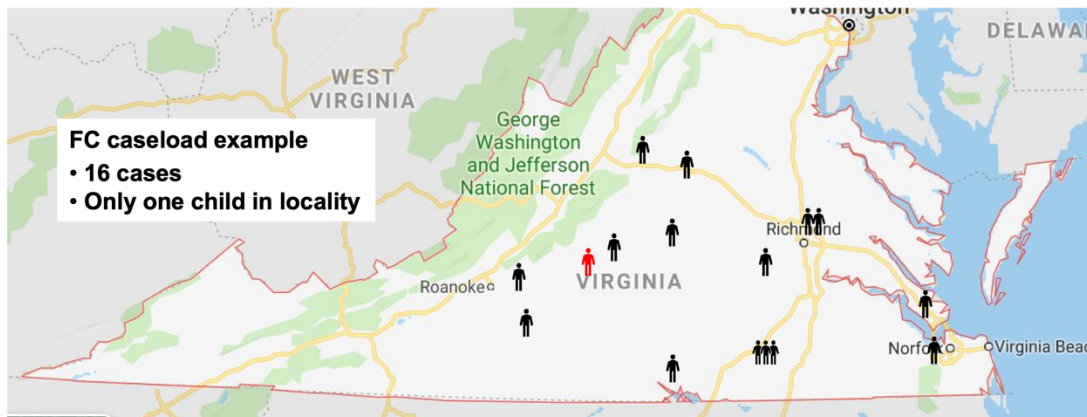
The report found that TFC in states is most often funded through Medicaid, Title IV-E funds, and state child welfare appropriations. (Seibert, Feinberg, Ayub, Helburn, & Gibbs, 2018) Many states try to find ways to receive a higher amount of Medicaid funding for TFC. This is most commonly done through varying ways of categorizing TFC. State Medicaid can be amended to define TFC within the state's various treatment plans. (Seibert, Feinberg, Ayub, Helburn, & Gibbs, 2018) Currently, there is no federal definition of TFC so billing procedures and standards of quality can differ among TFC homes in different states. (Seibert, Feinberg, Ayub, Helburn, & Gibbs, 2018) The cost of placing a child in a TFC home is substantially more when placed through a private placement agency than the cost of a standard foster care home. (Boyd, 2013) These costs are often attributed to the cost of running a private agency, the costs of recruiting and training foster parents, and the costs of additional benefits that private agencies are able to provide their foster parents. In Virginia, TFC is primarily funded through the Office of Children's Services, with the state pool funding 65% and the local match funding 35%. (Office of Children's Services)

It is the responsibility of the state to monitor TFC provider agencies and ensure that their service standards meet the state's requirements. States also individually define what encompasses their TFC programs, including but not limited to the types of children served, the caregiver qualifications, and the case manager qualifications. (Seibert, Feinberg, Ayub, Helburn, & Gibbs, 2018) This process is typically done through various accreditations and required documentations. Some TFC programs follow evidence-based models while some do not. Evidence-based models are defined as "models that have been the subject of rigorous evaluations and have demonstrated improved outcomes in participants' behavioral health, and delinquency experiences." (ASPE Study) North Carolina encourages their TFC provider agencies to select one of the four evidence-based models they recommend, while Tennessee, uniquely, created a state-specific TFC model that TFC programs in the state must use. (ASPE Study)

THERAPEUTIC FOSTER CARE (TFC) IN VIRGINIA

The VDSS is state supervised and locally administered, one of only 9 states in the country that function in this manner. (JLARC, 2018) This results in variation in agency structure and provided services in each locality. Virginia's Joint Legislative Audit and Review Commission (JLARC) reviewed the entire foster care system in 2017. They found a 25 percent increase of foster children since 2013 bringing the state total to about 5,340 children in the program. (JLARC, 2018)

Virginia requires local departments to seek out kinship care, caregivers that are related to the child; however, 2,352 children entered the foster care system in 2017 and were mostly placed with nonrelative caregivers. (JLARC, 2018) Many localities struggle to place foster children locally. This not only disrupts the foster child's life, but also makes the caseworker's work more difficult. Below is an image of on caseworker's child placements. Of the 16 cases this VDSS employee has, only one child was placed locally.



Virginia has over 300 private foster care placement agencies providing therapeutic foster care. (New Found Families) Each agency competes against other agencies and the Virginia Department of Social Services (VDSS) for foster parents. The purpose behind creating private child placement agencies and TFC was to support children with higher levels of need in ways that the local VDSS offices could not. VDSS localities recruit and train families to serve as foster parents; however, currently, when a locality does not have a foster care home available they must contract with private agencies to provide a placement for the child. For the child, this means they could be placed with a family far away from the locality, creating difficulties with biological parent visits and case meetings. For example, in Roanoke County specifically, their local agency is competing against 11 other private foster care agencies.

Every child placement agency must be licensed through the Virginia Department of Social Services, required by the *Code of Virginia*. (LCPA) This licensing process ensures that every provider, case manager, and home meet the same standards set by the state. Each agency has to license their adoption and foster program through the VDSS, and they have to license their child behavioral health and development services (if provided) through the Virginia Department of Behavioral Health and Developmental Services.

Private child placement agencies may choose to seek accreditation for the services they provide. Accreditations can strengthen their profile to DSS localities and potential foster families interested in working for the agency. Various accreditations are done independently and increase the agencies overall competitiveness. For example, Lutheran Family Services of Virginia, a Virginia child placement agency, is accredited through the Commission on Accreditation of Rehabilitation Services (CARF) for their Community Employment Services and Treatment Foster Care. (Accreditation and Licensing, 2017) Additionally, People Places, another Virginia child placement agency, is accredited through the national Council of Accreditation (COA). (Peoples Places)

Private foster care placement agencies are able to compete for staff and foster parents in ways that the local VDSS offices are not. For example, People Places offers various incentives to current foster parents that refer new foster parents. Children's Services of Virginia, Inc. hosts several events per month for their foster parents to provide socialization and a support system. Several private agencies in Virginia, including UMFS, spend money marketing their agency on billboards and at events. UMFS is able to do this because of the large staff they have, including marketing and recruiting specialists. (UMFS Becoming a Foster Parent) UMFS is not unique in this way, and many private placement agencies recruit at this same high level. Additionally, private placement agencies are able to appeal to employee candidates by offering smaller caseloads, employee incentives, and unique benefits. This makes it easier for private agencies to hire social services case workers, which causes VDSS to see decreases and turnover in their employment. A small, limited, staff will be overworked and will contribute to problems in the foster care process. VDSS localities will continue to be disadvantaged because they do not have the support to compete against private agencies for the same pool of foster parents. This results in the State of Virginia spending an excessive amount of money using agencies to place children in homes.

FOSTER CARE FINANCIAL COSTS

Only 16 percent of Virginia's foster care funding comes from Federal Title IV-E funds, these funds are released only if a child meets the eligibility criteria. (JLARC, 2018) Many remaining financial costs fall to the state general fund and are administered through the Children's Services Act (CSA) program. Any costs not covered through federal funding, state funding, or Medicaid must be covered by local funds. (JLARC, 2018)

The Children's Services Act (CSA) is the funding source for foster care in Virginia. There are several difference types and sources of funding. For example, if the child is determined to be IV-E eligible then the funding comes from the federal and state government, but if the child is not eligible then the funding comes from state and local funds. Whether eligible or not, each foster parent receives the basic maintenance rate: Children 0-4 receive \$471 per month, Children 5-12 receive \$552 per month, Youth 13 + receive \$700 per month, and the Independent Living Stipend is \$644. (Newfound VA) Additionally, all foster children receive Medicaid, a clothing stipend, free school lunches, and transportation reimbursement for Medicaid expenses. There are additional funds that can be allocated for various special circumstances.

The cost of TFC is substantially higher than the cost of relative or nonrelative foster care. According to the JLARC report, "in FY17, the average annual cost to place children in a therapeutic foster care setting for a full year was \$40,673 per child, compared to an average of \$12,938 per child for children placed in regular family-based foster homes." (JLARC, 2018) As stated earlier, the locality match rate in Virginia is currently 35%. Localities are responsible for these costs as well as the costs for running a successful department. Many localities utilize grants for additional funding. They seek out state and federal grants to cover a magnitude of things, including the supplies to compile their training materials and food for the training events, since they commonly occur during dinner times. Some localities claim to have problems obtaining grants because they either do not have the staff or the time to search and complete these lengthy applications.

STATE COMPARISONS

Virginia shares many demographic similarities with North Carolina and Tennessee; however, there are major differences in their foster care systems. Tennessee Department of Children Services contracts a group to alleviate some of the responsibilities assigned to state employees, while North Carolina finds ways to better hold their private agencies accountable. Benchmarking with these states provides Virginias insights into effective and ineffective systems.

Tennessee

Similar to Virginia, Tennessee has private child placement agencies; however, recent findings show that only 7 percent of children entering the foster care system were initially placed at a TFC home. (ASPE Patterns of Treatment) Tennessee's Department of Children Services (DCS) has a

formal training partnership with Harmony Family Center. DCS divides the state into 12 training counties and 4 training regions and provides a point of contact for each region. (Department of Children's Services Foster Parent Regional Training Contacts) Tennessee also has a statewide Director of Foster Parent Training and a Director of Training and Professional Development in the DCS that supervise the staff members training throughout the regions. Harmony Family Center personally provides the training classes that foster parents need to complete the application process and maintain in the system. (Harmony Family Center) This structure allows Harmony Family Center, through support of DCS, to provide regular foster care training and treatment foster care training to foster parents within the state system. An increase and focus on training results in a decrease in the number of private agency placements for foster children in Tennessee.

North Carolina

With over 11,000 children in foster care as of 2017, North Carolina has almost double the number of children in foster care compared to Virginia. (CBS, 2017) Several North Carolina officials attribute their foster care numbers to the opioid epidemic. North Carolina also mirrors Virginia in having 100 counties with local social service agencies. (Local DSS Directory) The state is seeing a need for additional foster care parents and often places children through private placement agencies. North Carolina requires all private child placement agencies to be accredited for three years by either the Council on Accreditation, the Joint Commission, the Commission on Accreditation of Rehabilitation Facilities, or the Council on Quality and Leadership before they will license the agency. (Child Placing Agency Licensing) North Carolina also encourages their agencies to select an evidence-based model from the list they endorse, as these models have proven positive outcomes. (ASPE Patterns of Treatment) Additionally, North Carolina Department of Health and Human Services has the program, NC Kids. This program serves prospective foster parents, and provides foster care and adoption support services and community outreach help. (You Don't Have to be Perfect to be a Perfect Parent)

UNIQUE PROGRAMS IN VIRGINIA

Several areas in Virginia have taken on the responsibility to personally strengthen their local foster care program. Roanoke County partnered with the City of Roanoke to create the Specialized Treatment and Resources Support foster program (STARS). This program, run through VDSS, provides training and services for foster parents taking foster children with higher levels of need.

STARS foster parents have a counselor assigned to help and a support group with other STARS parents. (Forman, 2014) This program is directly competing with private placement agencies because of the additional support and services that STARS foster parents receive. The Roanoke County, in turn, receives financial compensation from CSA for every child placed in a STARS home. The current match rate is \$20 per day per child in a STARS home. (Office of Children's Services) The City of Charlottesville has also created a program, Community Attention Foster Families (CAFF), which resides under the Department of Human Services. (Community Attention Foster Families) CAFF is solely responsible for recruiting, training, and supporting foster families in Charlottesville and surrounding counties. CAFF works alongside the local Department of Social Services to help design and support a child's individual treatment plans. This program provides a team solely focused on recruiting and training foster parents. While the state of Virginia is seeing an overall shortage of foster parents and an increase in foster children, many localities are individually finding ways to successfully combat this challenge. These successful programs have the potential to be mirrored throughout the state.

METHODOLOGY

The literature above presents the magnitude of the problem surrounding overutilization and overspending on private foster care placement agencies and TFC. The remainder of this report will include alternatives for a formal grant process that the Department of Social Services can consider implementing to combat this problem. Each alternative is evaluated using the following criteria: effectiveness, cost, and feasibility. A formal recommendation will conclude the report as well as possible implementation strategies and future considerations.

EVALUATIVE CRITERIA

Developing strong criteria to evaluate each policy alternative is essential in order to make a final recommendation. Alternatives created to address the problem of overspending and over placing children in therapeutic foster care in Virginia will be evaluated on the criteria of effectiveness, cost, and feasibility.

CRITERIA 1: EFFECTIVENESS

Effectiveness is measured by how the policy alternative increases the number of VDSS contracted foster parents, thereby decreasing the number of children unnecessarily placed in therapeutic foster care (TFC). In selecting an alternative this criterion will be measured on estimates ranking as high effectiveness, medium effectiveness, and low effectiveness. Once an alternative is implemented, this criterion will be important and evaluate whether or not the program effectively increased the number of VDSS foster parents.

CRITERIA 2: COST

Cost will be measured by the total cost of the program and ranked as high, medium, or low. Any program over one million dollars will be ranked high, any program between \$500,000 and one million dollars will be ranked medium, and any program under \$500,000 will be ranked low. Costs for each policy alternative will include estimates for each line item in the program. Examples of line items include staff salaries, marketing materials, and contracted support services. The cost of each policy alternative will be compared to the costs of the other policy alternatives and the current cost of using TFC in Virginia. Low costs will project state budget savings. This information will come

from records that show what localities are spending for TFC and projections for what the alternatives could cost based on case studies and standard costs.

CRITERIA 3: FEASIBILITY

Virginia as a commonwealth is state supervised and locally administered. As a result, each policy alternative needs to be evaluated at the state level and the local level. Each of the 120 localities are composed of different staff sizes, different funding, and different community needs. Success will be measured against the main qualities that localities share. Each policy alternative will be measured on its ability to be equitable and feasible across the localities that would be impacted by the policy option. To determine this, each option needs to assess the extent of implementation support it will need and any additional work it will cause. Policy alternatives will measure feasibility by estimates of high, medium, and low.

ALTERNATIVES

ALTERNATIVE 1: STATUS QUO

The status quo would result in Virginia deciding to let present trends continue and forgo a policy option that would decrease the use of private foster care TFC placement agencies. Currently, local Virginia Department of Social Services (VDSS) agencies struggle to compete with private agencies to recruit and retain foster parents, and this trend will likely continue, resulting in fewer locality trained foster parents each year. Private agencies consistently outperform localities in recruitment initiatives because of the additional resources they have to support themselves and their foster families. By remaining in the status quo, Virginia would decide to continue to spend a substantial amount of state funds to use private placement agencies. Virginia will have to accept the financial tradeoff that failing to invest in state localities will increase state spending. (JLARC, 2018)

Effectiveness

This alternative will rank low in effectiveness because it will not increase the number of VDSS contracted foster parents, nor will it be working towards that goal.

Cost

The cost of this alternative will be high. In FY2017, \$183 million dollars was spent using private placement agencies to place foster children in therapeutic foster homes (TFC), also referred to as treatment foster care, and congregate care. (JLARC, 2018) Although this is not the case, assuming that each locality was spending the same amount of money on TFC, the amount spent per locality would be \$1,525,000 dollars. This number will increase as the state is seeing an increase in the number of foster children. The state budget should estimate an annual expense of \$150-\$250 million dollars for the cost of TFC private placement agencies.

Feasibility

Remaining in the status quo will require no changes or additional implementation, therefore, it will rank high in feasibility.

ALTERNATIVE 2: CHAMPION FOSTERING GRANT PROGRAM

The Champion Fostering grant program will offer a program for localities that creates a higher level of training for VDSS foster parents and provides those foster parents with additional resources. Many components of this grant program will mirror the Roanoke STARS program. Foster parents receive the same financial compensation whether they are contracted under a private agency or the VDSS. This program would provide many of the services that private agencies are able to offer, which help attract and retain their foster parents. The Roanoke Valley STARS program has tripled the number of STARS foster families they have in under five years. (B.Jones, 2019) This program has had enough success that Roanoke County is expanding the STARS program to offer three versions of the STARS program. (B.Jones, 2019) While the program takes time to grow, the state can predict an increased number of state contracted foster families, and a higher level of care for foster children within the first year.

The Champion Fostering Grant Program will begin with five grants for localities in Virginia to apply for. Localities can apply individually or jointly with a neighboring locality. Each grant will fund the program for two years. After two years the entire program will be evaluated based on its findings and VCOY will decide whether or not to continue the program.

Effectiveness

The Champion Fostering program will rank high in the effectiveness criterion because it is aiming to increase the number of VDSS contracted foster parents. The main priority of this program is to internally provide the services that private agencies are providing.

Cost

This alternative will rank medium for the criterion cost. An estimate for a single grant is \$70,000 per year. This program will launch 5 simultaneous grants costing the state \$350,000 per year for two guaranteed years, \$700,000 in total. This includes the cost of salary, training materials, and contracted services. The estimate above does not include the supplemental money that localities will get for placing children in Champion Fostering homes. CSA will pay a match of \$20 per day for every child placed in a Champion Fostering home. If a child is in a Champion Fostering home for an entire year, CSA will pay the locality \$7,300. This money will go into a fund for the locality to invest

back into their Champion Fostering program, with the hope that one day the program could be fully funded through the CSA match fund.

Table 1: Cost of Alternative 2		
Line Item	Cost	Details
Salary	\$35,000	Virginia Department of Human Resources Management state wide pay band 2. (Minimum= \$22,597 Maximum= \$60,526)
Contracted Support Services	\$10,000-\$50,000	This cost will vary based on the number of foster parents in the program
CSA Match	\$20 per day per child	These accrued funds must be invested in the program
Resource Materials	\$10,000	These funds will be spent on training and recruitment materials and events for program foster parents

Feasibility

The Champion Fostering program meets will be ranked medium in the feasibility criterion. Since localities are applying and opting in to the grant program they will be motivated to implement it in their area. VCOY will determine recipients which should help ensure that the localities selected are able to secure the additional support for the program to be successful. This is ranked medium overall because it requires onboarding of new staff and changes in the CSA budget structure.

ALTERNATIVE 3: KINSHIP KARES GRANT PROGRAM

The Kinship Kares Grant program will create a pilot for localities to prioritize kinship foster placements. Both the JLARC report and the VCOY report found that Virginia currently has extremely low kinship foster care rates compared to other states. (JLARC, 2018) Creating a program that supports the unique aspects of kinship foster care will heavily assist localities with limited resources. Placing a child in a kinship home is always a localities' first priority; however, these homes require additional support because these relatives are not already trained and approved in the foster care system. If a staff member is solely dedicated to securing kinship homes, and getting these homes approved in the system, fewer children will have to be placed in TFC homes. Roanoke

County has a large enough staff to have a full-time kinship coordinator and they have seen kinship placement numbers increase. (B. Jones, 2019)

VCOY will launch five grants and each locality can apply individually or jointly. This grant program will be evaluated after two years, at which point VCOY will evaluate the evidence and decide whether or not to continue funding the program.

Effectiveness

The Kinship Kares grant program will be ranked as medium in effectiveness. While this program is aiming to decrease child placements in TFC homes, it cannot predict a definite decrease because kinship homes have to be available for the program to be successful. This program could produce evidence for the state that relatives in Virginia are simply uninterested or unavailable to care for foster children.

Cost

The Kinship Kares grant program is ranked medium in its cost. Each grant will cost approximately \$55,000 per year, totally \$110,000 for the life of the program. With five grants, this policy option will cost \$550,000. The costs associated with the Kinship Kares program solely come from the program coordinator salary, training materials, and the cost of services for the relative foster parents, including therapy and support groups. Since this program is not directly focused with recruitment, its costs are only for the services provided.

Table 2: Cost of Alternative 3		
<i>Line Item</i>	<i>Cost</i>	<i>Details</i>
Salary	\$35,000	Virginia Department of Human Resources Management state wide pay band 2. (Minimum= \$22,597 Maximum= \$60,526)
Contracted Support Services	\$10,000-\$50,000	This cost will vary based on the number of foster parents in the program
Resource Materials	\$5,000	These funds will be spent on training materials and events for program foster parents

Feasibility

The ability to implement the Kinship Kares grant program will be heavily dependent on the presence of relative foster care parents as feasible options. The structure of the pilot program is able to be implemented at the 120 different localities though; therefore, ranking medium-high.

ALTERNATIVE 4: FOSTER CARE TRAINING TOGETHER PROGRAM

The Foster Care Training Together Program would consolidate the training responsibilities amongst localities and allow them to internally hire additional staff to manage the training or externally contract a group to do so. Charlottesville's CAFF program and Tennessee's Harmony partnership have successfully increased their recruitment and training efforts and decreased their use of private placement agencies. CAFF is solely responsible for recruiting, training, and supporting foster families in Charlottesville and surrounding counties. CAFF works alongside the local Department of Social Services to help design and support a child's individual treatment plans. (CAFF) Additionally, Tennessee's Department of Children Services (DCS) has a formal training partnership with Harmony Family Center where Harmony Family Center personally provides the training classes that foster parents need to complete the application process and maintain in the system. (Harmony Family Center) This system relieves some of the burden from VDSS staff and allows them to focus solely on their cases.

The Foster Care Training Together Program would hire two coordinators to represent various areas of the state, and their sole responsibility would be to recruit and train foster parents for the localities. Localities will be grouped based on size. This pilot will launch three training programs throughout the state and the program will run for two years. At two years, VCOY will evaluate the evidence and decide whether to expand the program or end the program.

Effectiveness

This program will be ranked medium in effectiveness because this pilot program will be working to increase the number of foster parents through recruitment initiatives. This program will not be funding many of the incentives that private agencies provide; rather it would be competing against them solely on the marketing level. Current data does not prove whether a lack of foster parents is due to a lack of marketing or a lack of foster parent support services.

Cost

This program will be ranked low in cost. The cost of this program will be dependent on whether the state contracts a group or hires additional staff to run the program. Assuming that the state decides to hire staff to run the program, one training program will cost approximately \$80,000 per year, \$160,000 in total. With the launch of three pilots, the total cost will be approximately \$480,000.

Table 3: Cost of Alternative 4		
<i>Line Item</i>	<i>Cost</i>	<i>Details</i>
Salary	\$70,000	Virginia Department of Human Resources Management state wide pay band 2. (Minimum= \$22,597 Maximum= \$60,526) ***This will cover the cost of two salary employees at \$35,000
Resource Materials	\$10,000	These funds will be spent on recruitment/training materials

Feasibility

This program is ranked medium-high on feasibility because each locality should equally be able to implement additional recruitment and training efforts. Since localities will be grouped together they number of recruitment opportunities and foster families available will increase. However, since localities are not applying to participate in this program there is less of a guarantee that the support will be easily implemented.

Decision Matrix

	Alternative 1: Status Quo	Alternative 2: Champion Fostering Grant Program	Alternative 3: Kinship Kares Grant Program	Alternative 4: Foster Care Training Together Program
Effectiveness	Low	High	Medium	Medium
Cost	High	Medium	Medium	Low
Feasibility	High	Medium	Medium-High	Medium-High

RECOMMENDATION

It is recommended to allocate grant funding to create and implement Alternative Two: The “Champion Fostering” Grant Program. This grant program directly combats the problem of localities unnecessarily placing foster children in private agency TFC homes. This grant program provides a higher level of training, recruitment, and services for localities and foster parents. Not only will this program recruit more state contracted foster parents, it will create a new level of highly trained foster parents that are prepared to care for foster children with higher levels of need. This pilot program will provide an observational study for the state to determine what factors strengthen a localities ability to compete with private agencies for foster parents.

Foster parents receive the same compensation whether they foster through VDSS or through a private agency. Implementing a program that will offer a higher level of training and support will save the state money and continue to place Virginia’s foster children in the best available home. This program also financially invests back into the foster care system by rewarding localities for participating in this program.

The average annual cost of placing a child in a TFC home is \$40,673 and the average annual cost of placing a child in a VDSS foster home is \$12,936. For Champion Fostering homes, CSA will be paying a \$20 per child per day fee, totaling \$7,300 per child per year. That fee plus the \$12,936 base cost totals at \$20,236, which is roughly half of what it costs the state to place a child in a TFC home. This difference is direct savings in Virginia’s biannual budget. A single Champion Fostering grant is \$70,000 per year per locality. Using the \$7,300 CSA fee, it will only take 10 children in Champion Fostering homes annually to fund the program, at which point the grant money would no longer be needed. As the program grows and localities increase their total CSA match fee pool, they will be able to grow the Champion Fostering program and help other localities start their own program. The estimated savings from the Champion Fostering grant program reiterate why it is recommended for the state to allocate funds for the pilot grant program.

IMPLEMENTATION

Implementing the Champion Fostering Grant Program will require support and effort from various people. To create the program, a majority in the Virginia General Assembly will have to support the program and appropriate money for it in the biannual budget. This money would then be allocated to CSA, who would disburse the grant funding and manage the monetary matching component.

The executive director of the Virginia Commission on Youth, currently Amy Atkinson, will supervise the implementation and monitor the success of each grant. This alone is an implementation challenge because Amy has been in this role for over ten years and is passionate about this pilot program. A different executive director of VCOY could struggle to monitor the program or have different priorities and decide to cut the program.

Of the 120 localities in Virginia, each Department of Social Services can individually apply for a grant or partner with a neighboring department and jointly apply. Grant applications will open every two years in January and allow localities three months to apply. Following the application closure date, committee members of the Virginia Commission on Youth will review the applications and select five recipients. Once the recipients are notified, they will have one month to plan and contract the additional support needed to meet the requirements of the grant. VCOY will support the grant recipients as they prepare to implement this program.

It is predicted that localities implementing this program will be supportive of it because they took time to apply for the opportunity. Localities that are awarded grants also have to provide a monetary “buy-in” to reinforce their commitment to the success of the program.

Localities could face several implementation challenges. This pilot grant program requires a staff member and contracted support services. Localities with limited resources are likely unable to relocate a current staff member to this new role, and in certain areas it could be challenging to hire a professional with the qualifications needed for the position. The staff person hired for this role might also leave the job for various reasons. VDSS has existing high turnover rates, and a change mid program would put the success of the program in jeopardy. Additionally, localities might not have the necessary contracted services nearby, and contracting a support service far away could impact the success of the program.

Bringing on new staff members also complicates the termination plan, as the grant program is reviewed and measured annually. The Champion Fostering Grant Program will face several implementation challenges that need to be considered and thought through prior to allocating grant money to localities.

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