

# FFPSA Fiscal Considerations

NGA Conference

September 12<sup>th</sup>, 2019

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Washington State Department of  
**CHILDREN, YOUTH & FAMILIES**

# Determine Impact of Congregate Care

- One of the largest potential fiscal risks to states comes from losing the ability to claim Title IV-E on children and youth placed in congregate care settings.
- The most likely congregate care setting allowed for in FFPSA is a QRTP (qualified residential treatment program).
- States should analyze current use of Title IV-E in these settings and determine the barriers to meeting QRTP (or one of the other qualifying settings).



# Washington State Example

- Low rates of congregate care usage (3-5 percent of population)
- Biggest hurdle was meeting accreditation requirement so Washington offered a quasi-incentive payment
- Congregate care was funded using state, Title 19, and Title IV-E
- We ran a worst case scenario assuming we would lose all Title IV-E. This equals \$4.3 million annually.
- However, Washington did not claim any federal funding on youth placed out of state. We could earn an additional \$800,000 in IV-E if out of state providers are QRTP compliant, and we start claiming federal on their services.



# Determine Ability to Claim Prevention Funding

## Three Important Components:

- Services paid for by the child welfare agency and eligible for FFPSA. These are limited to items in the clearinghouse or those states propose under provisional payments. 50 percent must be in well-supported category.
- Services paid for by other agencies or Medicaid. Title IV-E is the payer of last resort under FFPSA.
- Administrative Claiming

For states coming off of a Title IV-E waiver, it is important to break the financial analysis into two pieces. Waiver to Traditional Claiming. Traditional to FFPSA.

# Washington State Example - Services

- Washington State is exiting a Title IV-E waiver at the end of September 2019.
- Currently, most services provided to families not experiencing placement are matched at 50/50 under the waiver.
- While Washington has a robust array of EBPs, only two are currently on the FFPSA Clearinghouse.
- Just from moving to traditional claiming, Washington loses \$1.8 million annually for services offered to families.
- Under FFPSA (with just two services), Washington can earn back \$500,000 in federal earnings.



# Washington State Example – Staffing/Admin

- Washington implemented a differential response system for our waiver project.
- The larger portion of our waiver cost was for case workers, as opposed to services.
- In moving to traditional claiming from waiver, Washington projects losing as much as \$4.7 million annually in federal funding for case workers.
- The ability to claim case worker time under FFPSA is a significant unknown at this time. It is unlikely that 100 percent of case worker time will be eligible, as it was under the waiver.



# Thank you!

## **Contact:**

**Jenny Heddin**

Chief Financial Officer

[jenny.heddin@dcyf.wa.gov](mailto:jenny.heddin@dcyf.wa.gov)

360-688-6349

