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CO-CHAIR, JOINT COMMITTEE FOR REVIEW OF ADMINISTRATIVE RULES

41st ASSEMBLY DISTRICT

**Assembly Bill 643: Qualified Residential Treatment Programs
Testimony of State Representative Joan Ballweg
Assembly Committee on Children and Families
December 18, 2019**

Thank you, Chair Snyder and members of the committee, for holding a public hearing on Assembly Bill 643.

This legislation was brought forward at the request of the Department of Children and Families (DCF) to help ensure Wisconsin will be in compliance with new changes coming in the federal Family First Prevention Services Act. Specifically, Assembly Bill 643 will provide DCF with the authority to promulgate rules for the establishment, certification, and operation of a Qualified Residential Treatment Program (QRTP) within a group home, shelter or residential care center.

The new Family First Act will allow states to use Title IV-E funding for prevention services. Previously, this money could only be used to help cover the costs of administering foster care for eligible children. Prevention efforts are meant to help prevent a child from entering into the child welfare system.

In order to comply with the new federal law and remain eligible for reimbursement for Title IV-E funds, Wisconsin must create a new type of congregate care setting called a Qualified Residential Treatment Program (QRTP). Currently, Wisconsin statute and administrative rules provide for three types of licensed child welfare congregate care providers: shelters, group homes and Residential Care Centers (RCCs). None of these currently licensed provider types match the QRTP criteria. To preserve the opportunity to claim federal Title IV-E reimbursement funds for congregate care placements, this change must be made in statute and administrative rule by October 1, 2021.

With the authority granted to the department in Assembly Bill 643, Wisconsin will be able to continue providing care to these youth with a trauma-informed, preventative approach.

Thank you for your time and I'm happy to answer any questions.



JILL BILLINGS
STATE REPRESENTATIVE

December 18, 2019

Chairman Snyder and Members of the Committee:

Thank you for holding a hearing on Assembly Bill 643, which grants rulemaking authority to the Wisconsin Department of Children and Families (DCF) to promulgate rules for the establishment, certification and operation of a Qualified Residential Treatment Program (QRTP). This legislation is necessary for Wisconsin to move forward with our plans to meet the federal Family First Prevention Services Act (FFPSA or *Family First*).

As this committee has previously been briefed, the federal *Family First* act was enacted in 2018. As the National Conference on State Legislatures stated to this committee, *Family First* makes a monumental shift in child welfare funding and structure. *Family First* aims to provide more funding into preventing children from entering the child welfare system and also limiting the use of non-family settings (congregate care) for children who are removed from their home.

It is the change and focus on congregate care settings, which the federal law requires, that brings us here today to discuss AB 643. *Family First* alters the types of congregate care settings that are eligible for reimbursement with federal Title IV-E child welfare funding. *Family First* defines a new type of congregate care setting called a Qualified Residential Treatment Program (QRTP). Other than very limited exceptions for specialized populations, QRTP is the only type of congregate care setting eligible for federal Title IV-E child welfare reimbursement after the initial two weeks.

Currently, Wisconsin statute and administrative rules provide for three types of licensed child welfare congregate care providers: shelters, group homes, and Residential Care Centers (RCCs). None of these current licensed provider types match the QRTP criteria. Wisconsin currently has a deadline of October 1, 2021 to implement the new FFPSA prevention and congregate care provisions. To preserve the opportunity to claim federal Title IV-E reimbursement funds for congregate care placements after the implementation date, Wisconsin must create a QRTP certification in statute and administrative rule.

Due to the lengthy nature of the rules process, it is vital that we pass this legislation this session, so that DCF can establish, certify and operate the Qualified Residential Treatment Program (QRTP) to meet this federal deadline.

Thank you again for your time and consideration.

Sincerely,

A handwritten signature in cursive script that reads "Jill Billings".

Jill Billings
State Representative
95th District

Alberta Darling
Wisconsin State Senator
Co-Chair, Joint Committee on Finance

Assembly Committee on Children and Families

Assembly Bill 643

December 18, 2019

Thank you Chair Snyder and committee members for taking the time to hear Assembly Bill 643. The bill before the committee reforms our congregate care homes to meet the requirements laid out in the federal Family First Prevention Services Act (FFPSA).

In 2018, the FFPSA was signed into law as part of the Bipartisan Budget Act. The law changes federal investments into child welfare by putting more resources towards prevention and limiting the use of non-family settings, like congregate care and group homes, for children in out-of-home care. Wisconsin has a deadline of October 1, 2021 to implement the new FFPSA provisions.

One key provision of the FFPSA changes funding eligibility for congregate care. Under the FFPSA, only Qualified Residential Treatment Programs (QRTP) are eligible for federal reimbursement for services provided to youth in out-of-home care. QRTPs would be a new type of congregate care setting for Wisconsin. Currently in Wisconsin, we operate shelters, group homes, and Residential Care Centers. None of these currently licensed providers match the QRTP criteria. In order to enable federal Title IV-E reimbursement funds for congregate care placements, Assembly Bill 643 creates a QRTP certification in statute and administrative rule.

Assembly Bill 643 allows the Department of Children and Families to promulgate rules to establish, certify, and operate QRTPs within group homes, shelters, or residential care centers. The FFPSA changed the way Wisconsin will receive federal funds for child welfare services. Assembly Bill 643 updates our statutes to ensure our providers are still eligible for federal funds, continue serving our kids, and also ensure Wisconsin taxpayers don't pay more than their fair share to keep our child welfare system running.

I hope to count on your support for this legislation.



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Governor Tony Evers
Secretary Emilie Amundson

Secretary's Office

TO: Chair Snyder and Members of the Assembly Committee on Children and Families
FROM: Wendy Henderson, Administrator, Division of Safety and Permanence
DATE: December 18, 2019
SUBJECT: 2019 Assembly Bill 643 – Qualified Residential Treatment Program

Thank you for the opportunity to provide testimony in support of Assembly Bill 643. This bill is an extension of the work started by the legislature in the biennial budget to support the Wisconsin child welfare system in shifting towards prevention and keeping children with their families. Thank you to the authors of this legislation which will allow DCF to comply with the federal Family First Prevention Services Act.

The Department of Children and Families is committed to the goal that **all** Wisconsin children and youth are safe and loved members of thriving families and communities. To support this goal, the Wisconsin child welfare system is strengthening all Wisconsin families to raise their children. Wisconsin's child welfare system is guided by the following principles, which are also embodied in the new federal child welfare law, the Family First Prevention Services Act, which Wisconsin must implement by October 2021:

- **Prevention**: Child welfare increasingly focuses on preventing children from being removed from their homes by strengthening families to raise their children.
- **Relatives**: Relatives play an important part in children's lives as caregivers or ongoing supports and should be used as out-of-home placements whenever possible.
- **Reunification**: The primary goal is to reunify a child with his/her family whenever it is safe to do so.
- **Permanence**: The child welfare system aims to transition children in out-of-home care (OHC) safely and quickly back with their family, whenever possible, or to another permanent home.

The federal Family First Prevention Services Act (FFPSA or Family First) was passed in 2018. This law shifts the focus of the child welfare system to preventing children from entering out of home care and makes a parallel shift in funding towards prevention and family settings and away from congregate (group) care. Importantly for the purposes of this discussion, under Family First the federal government will only provide federal child welfare reimbursement dollars (Title IV-E funds) for congregate care settings that include specific markers of quality of care. As specified in Family First, the new type of congregate care eligible for federal reimbursement, called a Qualified Residential Treatment Program (QRTP), must include the following components:

- Use a trauma-informed treatment model;
- Have access to 24-hour nursing care and critical individualized medical and psychological treatment and support for children;
- Engage the family throughout the treatment; and
- Provide aftercare services to children and families once they leave the QRTP.

Current state statute and administrative rules provide for three types of licensed child welfare congregate care providers in Wisconsin: shelters, group homes and Residential Care Centers. None of these current license provider types match the QRTP criteria listed above. This bill authorizes DCF to promulgate rules for the establishment, certification and operation of a QRTP and provides DCF the authority to certify that a congregate care facility is functioning as a QRTP by determining the facility has met state and federal requirements of a QRTP.

Title IV-E funds are the primary means of federal reimbursement for state child welfare systems. When Family First becomes operational in Wisconsin in October 2021, IV-E reimbursement for congregate care will only be provided for QRTP settings, except in limited circumstances. Absent this bill, Wisconsin will be unable to certify a program as a QRTP or access federal reimbursement for congregate care settings.

Strengthening families to raise their children is the primary goal of the Wisconsin child welfare system. When children with complex treatment needs enter group care settings, the quality standards enacted under federal law will help Wisconsin ensure those children's treatment needs are met while also making Wisconsin eligible for critical federal reimbursement.

Thank you for your support of this legislation to allow DCF to comply with federal law and obtain federal reimbursement for congregate care settings. We would be pleased to respond to any questions.



TO: The Honorable Members of the Assembly Committee on Children and Families
FROM: Kathy Markeland, Executive Director
DATE: December 18, 2019
RE: **Support for AB 643 – Certification of Qualified Residential Treatment Programs**

Thank you for the opportunity to provide testimony in support of Assembly Bill 643, which will permit the Department of Children and Families to create a certification for a Qualified Residential Treatment Program (QRTP) in current congregate care settings such as a shelter care facility, group home, or residential care center for children and youth.

WAFCA is a statewide association that represents over forty child and family serving agencies, and advocates for the more than 225,000 individuals and families they serve each year. Our members' services include foster care programs; shelters, group homes, and residential care centers; crisis intervention; outpatient mental health therapy; and individual, family and group counseling, among others. As partners in the state's continuum of care, WAFCA members are committed to providing quality, effective treatment services, helping all individuals achieve their full potential.

We appreciate the Committee's interest in the Family First Prevention Services Act (herein, Family First) and what it will mean for some of the most vulnerable children and families in Wisconsin. For too long our state has struggled to provide a comprehensive service array that prevents children and families from progressing further into the system than necessary. In addition, our continuum of care to serve children and families through the child welfare system (child protection services and youth justice), including those placed in out-of-home care, has been insufficient to address the complex needs of these families. The issue has become more apparent in recent years as the number of children placed out of state for clinical residential care and treatment has trended upwards, exceeding 50 children in 2017.¹

Family First provides resources to ensure better prevention services are available within our state and also presents us with an opportunity to strengthen our continuum of care by creating a clinical setting that will allow us to better serve our young people in need of the most intensive treatment. We believe that enabling the Department of Children and Families to certify a QRTP within congregate care settings will provide a more robust continuum for Wisconsin youth needing placement, including those currently placed out of state. In addition, the creation of QRTPs within the state will provide a way for Wisconsin to recoup some of the costs associated with out-of-home care placement.

¹ Retrieved from: <https://dcf.wisconsin.gov/files/cwportal/reports/pdf/ohc.pdf>

In our support of AB 643, we have a few key considerations for the Committee. First, we would like to emphasize the importance of growing our service array, which includes having various out-of-home care placement resources for the children who are determined to need them. In the continuum Wisconsin needs to ensure each child receives the right service at the right time, a QRTP becomes part of the solution. Other types of non-QRTP placement resources will continue to be needed, especially during the transition, to ensure more children do not end up being placed out of state.

Secondly, it is crucial that Wisconsin understand the need for the QRTP placement resources and costs associated with operating a quality clinical program. Expanding capacity should be based on need, and the establishment of this new level of care within our continuum presents us with an opportunity to revisit our financing mechanisms. Our current congregate care system is funded through daily rate payments, a funding system that becomes even more challenging as expectations shift to higher levels of clinical services and shortened lengths of stay for youth placed in these settings.

Finally, we believe it is important to be playful and inclusive when establishing this type of service. The creation of QRTPs has implications for children, families, counties, tribes, providers and the community at-large. Ensuring individuals affected by the creation of such a program have ample opportunity to assist in its development will only produce a more solid outcome for all.

We are especially optimistic about the future of Wisconsin's child welfare system at this time and thank you for your support and consideration.