

# EXECUTIVE SUMMARY

## OVERVIEW

The Washington State Department of Children, Youth, and Families (DCYF) contracted with Public Consulting Group LLC (PCG) to conduct statistically valid research to identify the service cost(s) associated with delivering Combined In-Home Services (CIHS) (Family Preservation and Intensive Family Preservation Services) across Washington State. This cost study took place from April to October 2021 and examined CIHS best practices, provider expenses, and applicable evidence-based practice standards. DCYF planned the CIHS rate study in two phases. Phase 1 is the cost study detailed in this report, Phase 2 will continue in October to research alternative rate methodologies.



FIGURE 1. PHASE 1 PROJECT TIMELINE

## METHODOLOGY

PCG collected data and calculated rates for the following services based on DCYF and stakeholder feedback:

- Crisis Family Intervention (CFI)
- Functional Family Therapy (FFT)
- Family Preservation Services (FPS)
- Parent Child Interaction Therapy (PCIT)
- Promoting First Relationships (PFR)
- Positive Parenting Program (Triple P)
- SafeCare
- Incredible Years (IY)
- Intensive Family Preservation Services (Homebuilders)

PCG collected salary and cost data from all available CIHS providers. Of the 58 CIHS providers contacted about the study, 28 provided salary and cost data for a participation rate of 48 percent. The project team provided several additional provider trainings, submission extensions, and one-on-one assistance to increase participation. Ultimately, the 48 percent sample size represented regional and size variation for the participating providers. The project team created data collection tools to collect data from fiscal year 2019.

Although CFI data was collected, DCYF ultimately decided to remove the program from the full cost study due to upcoming standards review. In order to provide a realistic fiscal impact, CFI was included in the FY22 cost estimate, but the project team did not draft model budgets for the program.

## STAKEHOLDER ENGAGEMENT

Stakeholder engagement was a critical aspect of this study. One of the primary goals of this project was to create a transparent and open environment for DCYF and providers to discuss the rate-setting process,

while balancing the quick pace of the overall timeline. Over the cost study’s seven months, PCG met with a provider focus group three times to refine data collection tools and discuss specific service items and conducted 10 sets of stakeholder webinars remotely. PCG also conducted several additional ad-hoc calls and webinars with various stakeholders to improve the accuracy and adequacy of the cost study methodology. In addition, PCG and DCYF participated in weekly status meetings throughout the engagement. Feedback from each session was documented and shared with DCYF. As mentioned above, feedback from stakeholders directly shaped the rate development process.

### OTHER STATE RESEARCH

PCG conducted research of similar services in other states to identify additional payment strategies for DCYF’s CIHS programs. Validating cost estimates and methodologies was a primary goal of DCYF as part of the CIHS cost study. PCG conducted reviews of publicly available materials, state partner interviews, and utilized previous family preservation research to compare DCYF’s approach with other states. PCG has included information from seven states in this report. Although Washington’s CIHS service composition differs from the Evidence Based Practices (EBPs) offered in other states, DCYF may be interested in other family preservation cost and payment methodologies (available in the Appendix D).

### RATE CALCULATIONS

PCG considered several methodologies to develop the cost of CIHS programs. Ultimately, the project team calculated an updated cost per family (per case) for each CIHS program. The models were based on the number of annual hours per one therapist (direct care staff) and the additional staffing and expense needed to support annual activities. The staffing model and expense details are outlined in the subsequent report sections and the Appendix A. Based on the CIHS rate study described in this report, PCG recommends the following rate per family for each service:

**TABLE 1. RECOMMENDED RATE PER FAMILY**

CIHS Program	Current Rate	Updated Rate
Functional Family Therapy	\$2,624	\$3,270
Parent Child Interaction Therapy	\$2,531	\$3,824
Promoting First Relationships	\$1,778	\$2,996
Positive Parenting Program	\$1,976	\$2,938
SafeCare	\$2,300	\$4,789
IY - Baby Steps	\$1,833	\$3,172
IY - Toddler+	\$2,691	\$3,631
IY – Online	\$1,238	\$1,890
IFPS	\$5,886	\$6,939
Family Preservation Services	\$3,100	\$3,663

### FISCAL IMPACT

PCG estimates a \$8,439,614 increase in CIHS spending in state fiscal year (SFY) 2022. As indicated below, DCYF and PCG estimate an annual CIHS cost of \$26,555,430 in SFY22, respectively. This is a 47% percent annual increase in spending over current CIHS costs.

**TABLE 2. CURRENT COSTS AND PROPOSED CIHS COSTS**

	CIHS FY19	Updated Rates	Variance \$	Variance %
<b>All CIHS Programs</b>	\$18,115,817	\$26,555,430	\$8,439,614	47%

While the fiscal impact of these changes appears considerable, it is important to note that the additional costs are in support of DCYF’s goal to increase the availability of high-quality CIHS across the state in support of the Family First Prevention Services Act (FFPSA) plan.