Managed Care Report

Contents

Introduction

This is the second annual report by the Child Welfare Division for the managed care program. The report covers primarily State Fiscal Year (SFY) 1999 (7/1/98 – 6/30/99), though there are comparisons with SFY 1998 in some instances, and with SFY 1997 and 1998 in others. The report includes: pilot county demographics, programs and outcomes; managed care savings and planning; and implementation issues. It is anticipated that future reports will be provided by the managed care evaluation team, Mercer, Inc., beginning with an Interim Evaluation Report due to the legislature on 7/1/2000.

In Colorado's Child Welfare system managed care is a public operations model that empowers county departments of social services to operate as managed care entities through the use of the following managed care tools:

- Utilization review
- Quality Assurance
- Line item flexibility
- Public-private partnership
- Inter-agency integration
- Data utilization
- Incentive/Outcome based reimbursement

These tools support a shift from traditional fee for service practice to a system that focuses on flexible services that balance casework goals with fiscal management, and result in families getting the right amount of services needed.

In 1997, Senate Bill 97-218 capped Child Welfare county allocations, resulting in counties having a financial liability for exceeding their allocations. The bill also provided for line item flexibility, giving counties the ability to manage to county specific needs. The shifting of risk and flexibility to the entity that controls utilization (the counties) is a managed care principle. The legislation also authorized the creation of three managed care pilot counties, which were given additional flexibility to waive specific Child Welfare Staff Manual Volume VII rules. As a financial incentive, the pilot counties could keep any unspent General Fund portion of their allocations to use for additional services for children if performance indicators were met.

Additional legislation in 1998, SB 98-165, extended the existing managed care pilots and added three more pilot counties. This legislation authorized a comprehensive independent evaluation of managed care in Child Welfare, and also provided for any county to begin to negotiate a performance contract for managed care. Specifically, SB 98-165 states: "No later than June 30, 1999, the state department shall start to negotiate with any county that is interested in delivering child welfare services pursuant to a performance agreement as provided in this section. Implementation of a performance agreement system in such county shall be commenced on or after July 1, 2000." The division is currently working with several additional counties expressing an interest in entering a managed care performance Memorandum of Understanding (MOU).

The MOU constitutes the performance-based agreement between the state and county departments for operating as a managed care county. The MOU includes outcomes and performance measures, rule waivers, and participation requirements for the counties. The MOU has become more standardized over two years, and the same MOU template is being used for the current year (SFY 2000) pilots, with some minor clarifications. The performance outcomes relate to the department's general outcome domains of ensuring and enhancing child safety, permanency, and family functioning. The performance indicators in the state's federal IV-B Children and Family Service Plan will be used for all outcome measurement.

The MOU rule waivers granted generally relate to increased flexibility for managed care operations. Waivers cannot be allowed for any required federal law or state statute, and must not compromise the safety and well being of children and families. Rule waivers granted thus far allow counties to contract for case services, develop Family Service Plans jointly with providers, be represented by contracted staff, and have greater flexibility with payments to providers.

Any questions regarding this report should be directed to Eric Busch, Child Welfare Services, who prepared this report on February 10, 2000. He may reached at (303) 866-4098.

Pilot County Profiles

In the first year of the managed care pilot (SFY 1998) three counties were selected through a Request for Proposal (RFP) process: Boulder, Mesa and Jefferson. The following year (SFY 1999) three additional counties were added per SB 98-165, and the original three continued. The additional counties were Pueblo, El Paso, and Arapahoe. A brief demographic and programmatic description of each of the six pilot counties follows:

Arapahoe

Arapahoe County, located in south metro-Denver, has a child welfare population of 2,468 (monthly average), and a child population of 121,826. It is the fourth largest county in the state in terms of child population, and the third largest in child welfare population.

The pilot program focuses on creating individualized pathways for families and matching level of service to each family's needs through two Pathways Teams performing utilization review and promoting community/parent partnerships. Reviews using the Pathways concept began in April 1999.

There are two tracks of Pathways reviews. One track, called Resource Pathways, reviews children and youth for whom requests are being made for residential treatment, SB-94 services (approval for $500 or more in services), case consultation or commitment to the Division of Youth Corrections (DYC). From April 12 to June 30,1999, there were 142 Resource Pathways reviews in 35 meetings. Sixty-two of these reviews (56 percent) resulted in non-Residential Treatment Center (RTC) recommendations to the court. A second track, called EPP Pathways, reviews children 5 years old and under to meet Expedited Permanency Planning mandates. These reviews began in May 1999. From May 7, 1999 through June 30, 1999 there were 48 reviews in 11 meetings.

A Managed Care Steering Committee was formed in the fall of 1998, and includes representatives from the county department, mental health, providers, youth corrections, schools, probation, and the health department. A utilization review manager has been hired and has drafted policy and procedure for the Pathways implementation.

Accomplishments of the pilot include:

- increased availability of wrap-around and community-based services;

- an overall reduction in RTC placements from 160 to 132 through a state-assisted review of RTC placements last spring; and
- development of a CPA/Medicaid treatment fund transfer program with mental health.

Boulder

Located 35 miles northwest of Denver, Boulder has a child welfare population of 1,271 and a child population of 63,767.making it the sixth largest county in child population and the seventh largest in child welfare population.

Boulder's pilot has developed a unique community partnership focusing on adolescents through their IMPACT program. As a separate entity, IMPACT is a partnership of social services, mental health, and youth corrections, which provides assessment, case management, and quality assurance functions for the adolescent population. IMPACT employs a director and intensive case management staff who perform utilization review and manage out of home placements.

Blended funding for IMPACT comes from the participating organizations and from reinvestment of savings accrued by the program. IMPACT is structured with two teams: a Community Evaluation Team which focuses on wrap-around services and inter-agency collaboration to maintain youths in their homes; and a Placement Review Team focusing on utilization review and case management of youths in placement.

Interagency Review Meetings and children staffed during the pilot year were:

- Child Staff Meetings566
- Agency Meetings180

Of the 566 case staffings, 163 youth were placed out of the home. The utilization review process is combined with the state administrative reviews when applicable, and 148 of the staffings doubled as administrative reviews (the blending of utilization review and administrative review avoids duplication and saves everyone time and money). Sixty-six youth were referred for community-based and wrap-around services, thus avoiding placement. While 163 youth placed represents a slight increase compared to last year, this is attributable in part to population increase. The average length of stay at the Child Placement Agency (CPA) and higher level Residential Child Care Facility (RCCF) or RTC decreased by about five percent. Also, the number of youth transitioning to and remaining with family and kin increased by eighteen percent from the previous year.

Interagency reviews also include reviews of youth being recommended for commitment to DYC. Of the 37 youth reviewed, 17 were committed to DYC, with the remaining youth placed in out of home care or receiving alternative and wrap around services.

Boulder managed care accomplishments include:

- development of a new multi-agency sexual offender treatment and containment team called Project REACH;
- creation of a new position using blended funding to act as a liaison between IMPACT, Probation, the courts, and DYC;

- development of a contract between IMPACT and DYC for case management and fiscal oversight of all Boulder youth detained or committed to DYC.
- Two federal Criminal Justice grants were obtained using managed care savings match. One grant enabled the pilot to hire a substance abuse evaluator and consultant. The other grant created a new program to address the needs of high-risk girls, support a liaison between the schools and Diversion, and provide staff training in the "Assets" intervention model for partner agencies.

El Paso

El Paso County is located forty-five miles south of Denver along the front-range corridor, in the population center of Colorado Springs. With a child population of 133,600 and an average caseload of 3,331, it is the largest pilot and second largest county in the state.

El Paso's approach to managed care is a systemic effort involving the entire human services department and community partners building upon the development of a preferred provider network, expedited permanency programming, and flexible funding of early intervention programs. Specific initiatives supporting this effort include family-based assessment at intake, team case management, an emphasis on home-based and wrap-around services, planned blending of Child Welfare and Temporary Assistance to Needy Families (TANF) funding, and the development of internal data to measure outcomes and use that information to guide funding priorities.

Interagency Review Meetings and children staffed during the pilot year:

- Child Staff Meetings3,356
- Children Staffed3,677
- Agency Meetings 906

Child specific interagency staffings include: parents, schools, mental health, providers, court representatives, probation and law enforcement, state foster care review, and the community (corrections) review board. Agency staff meetings include: Guidance Committee (service delivery), Diversity Coalition, Design Team (best practice), Individual Plans Group, Linkages Committee, DHS/CPA Partner Meetings, Placement Alternatives Commission, Difficulty of Care Study Group, state RTC Levels of Care Workgroup, Alliance for Kids, Teen Support Network, Dare to be You Advisory Group, and other agency and administrative meetings.

In Child Welfare Intake a multi-track response to referrals made to the agency was implemented. The Referral Track takes cases that would not meet the agency s threshold for child abuse investigations and normally would not have been assigned or followed-up. Under this model, those cases that have child welfare issues but do not meet the threshold are assigned to engage the community to address the needs of the family. Families and/or informants are called back by the referral track workers. Strategies are developed for the family to access community services, or other agencies are given the task to be the primary contact with the family (as opposed to the family coming into the child welfare system). The number of families involved in the first six months was 362.

In April through June, Intake initiated a new community based program in the Falcon School District. One worker will be assigned full time to three of the elementary schools in that District. The concept is a continuation of a plan to move intake workers out into the community and nurture the concept of community based child protection.

In residential services, a new community program for respite care and a new therapy provider for developmentally disabled was put in place. RTC placements are down and foster care in all areas is down; while kinship placements are up. Two new CPAs joined the CPA Project. Families were assisted with housing through combined

DHS/Housing Authority grant. 245 children were adopted in SFY 1999.

Accomplishments include:

- a 20 percent reduction in foster care placements over two years;
- a 50 percent reduction in institutional placements;
- a 27 percent increase in families receiving in-home services;
- a 200 percent increase in adoptions;
- early intervention and prevention efforts expanded through the flexible use of TANF and other funding; and
- placement services enhanced through a partnership with the MHASA for Medicaid funding of treatment services in CPA foster care. CPA providers are responsible for case management and wrap-around services in this CPA/Medicaid treatment funds transfer program.

Jefferson

Jefferson County is located in the west Denver-metro area, and has the third largest child population in the state at 126,794 and the fifth largest average caseload at 1,670.

Their pilot focuses on utilization review, interagency collaboration, and the development of placement alternative and preventive programs. Families are assessed during intake and whenever possible CORE services are provided to families to avoid out-of-home placement and court involvement. A collaborative effort of social services and mental health has resulted in the development of the Service Utilization Review Team (SURT) to approve placement and review service utilization of children in CPA and RTC placements.

Interagency Review Meetings and children staffed during the pilot year:

- Child Staff Meetings508
- Children Staffed595
- Agency Meetings 60

The Jefferson pilot centers around the Service Utilization Review Team (SURT), which is a financial risk sharing project with staff from mental health and social services. Child staff meetings match client needs with appropriate services and include the assigned caseworker, foster care licensing staff, an ADAD representative, and the family and child when appropriate. Agency meetings occur monthly and include Managed Care Implementation Team meetings with state and pilot counties. The interagency Jefferson County Managed Care Committee reviews and makes program recommendations. Joint social services and mental health administrative meetings govern the pilot and develop additional services with savings.

Accomplishments include:

- increased utilization of internal services providers such as county foster homes and Core Services versus CPA and RTC providers;
- rates negotiation with external providers;
- combined Administrative Reviews and SURT utilization reviews;
- increased rates for internal providers to retain resources;
- development of a CPA/Medicaid funds transfer program; and
- use of TANF monies to fund preventive programs in the community.

Mesa

Mesa County, seated in Grand Junction, is the largest population center on the Western Slope. With a child population of 28,544 and an average caseload of 703, Mesa is the tenth largest county.

Mesa has developed a strong utilization review program embracing parents, providers and interagency representatives as treatment team members. Program development and a unique, outcomes-oriented data gathering system are hallmarks of the pilot. Resource management begins at intake with a single point of entry through an interagency group called the CORE Team. Using a standardized form and format, the team performs assessment and initial service plan development. Another multi-agency collaboration, the WRAP Project, focuses on prevention and early intervention services with a goal of preventing out of home placement.

The project has a budget with blended funding to purchase a variety of services and goods to meet client needs in both child welfare cases and at-risk families. Service tracking and data gathering is integrated in the utilization review and quality assurance meetings using a software package developed internally to record data and streamline case management.

Interagency Review Meetings and children staffed during the pilot year:

- Child Staff Meetings1,144
- Children Staffed1,000
- Non-child Meetings 95(Interagency meetings and trainings)

Mesa has an integrated utilization review and quality improvement process in place. Service allocation and authorization is located in an inter-disciplinary team with a single point of entry for placement services. On-going treatment coordination is achieved through treatment teams and utilization reviews. The utilization review process involves parents, providers, and community agencies as team members, and is coordinated with administrative reviews. This coordination assures that dental and physical exams, and other time-sensitive benchmarks occur timely. Other areas of managed care include judicial integration, resource continuum development, training, quality assurance, Child Welfare management information systems, and partnership development/contracting.

Accomplishments include:

- the number of kinship placements doubled;
- federal funding secured for a Family Unification Housing program;

- development of a local RTC for girls, and an RTC for sexual offender boys;
- development of clinical support from the MHASA for county foster homes; and
- utilization of the North Carolina Family Assessment Scale.

Pueblo

Pueblo County, located south of El Paso County along the I-25 corridor, has a child population of 34,085 and an average caseload of 1,329, making it the sixth largest child welfare county.

Their pilot, based upon integration of services and utilization review, has a focus on expedited permanency, prevention of abuse, and development of a service continuum. A screening and prevention team provides up-front services with a goal of avoiding opening a child welfare case. These cases are tracked on an internal database since they are not opened on the state automated system. Collaboration with other agencies, particularly mental health and developmental disabilities, has enhanced service delivery. The county has also worked with their CPA providers to develop standardized levels of service.

All cases are reviewed every 90 days, and placement cases are reviewed more often. Utilization review has increasingly become the focus of case review meetings. Non-child staff meetings also occur every ninety days or more often. Other meetings include: SB 94 Interagency meetings, Domestic Abuse Advisory Board, Court Appointed Special Advocates (CASA), law enforcement, and meetings with providers, schools, and other agencies.

Accomplishments include:

- development of a youth sex offender treatment program and a CPA/Medicaid treatment transfer program with Sycare (the MHASA);
- development of a contract with the county health department to provide visitation services to high-risk clients with newborns; and
- evaluation of client satisfaction as a quality assurance tool on-going.

Demographic Data

The ten large counties are listed in the following charts for comparison purposes**:**

Child Population by age:

COUNTY	0 to 1	1 to 2	3 to 4	5 to 9	10 to 12	13 to 15	15 to 16	16 to 17	0-17

ADAMS	5,029	10,093	10,261	26,748	15,438	15,048	4,960	9,804	92,421
ARAPAHOE	6,172	12,578	13,030	34,769	21,045	20,793	6,803	13,439	121,826
BOULDER	3,255	6,595	6,714	18,362	10,950	10,486	3,424	7,405	63,767
DENVER	9,200	17,754	17,238	41,546	20,751	18,479	5,983	12,027	136,995
EL PASO	7,727	15,101	15,421	39,235	22,238	20,269	6,595	13,609	133,600
JEFFERSON	6,400	12,815	13,295	35,566	22,131	21,961	7,211	14,626	126,794
LARIMER	2,817	5,831	6,063	16,005	9,871	9,799	3,216	6,837	57,223
MESA	1,440	2,852	2,940	7,671	4,909	5,076	1,693	3,656	28,544
PUEBLO	1,754	3,565	3,701	9,337	5,664	5,842	1,954	4,222	34,085
WELD	2,501	4,933	4,931	12,338	7,182	7,278	2,436	5,092	44,255
SUB-TOT	46,295	92,117	93,594	241,577	140,179	135,031	44,275	90,717	839,510
TL %OF	81.25%	80.71%	80.41%	80.07%	79.19%	78.57%	78.54%	79.03%	79.73%

The combined child population of the pilot counties is 398,916. This is about 48% of the ten large totals and about forty percent of the total Colorado population of 1,007,412.

Child Welfare Caseload by program area:

COUNTY	PA-4	PA-5	PA-6	TOTAL	% OF TOTAL
ADAMS	314	1,343	644	2,301	9.50%
ARAPAHOE	525	1,263	680	2,468	10.19%
BOULDER	210	784	277	1,271	5.25%
DENVER	750	2,693	1,642	5,085	21.00%
EL PASO	560	1,739	1,032	3,331	13.75%
JEFFERSON	290	890	490	1,670	6.90%
LARIMER	176	501	292	969	4.00%
MESA	94	386	223	703	2.90%
PUEBLO	202	621	506	1,329	5.49%
WELD	188	501	248	937	3.87%
TEN LARGEST SUB-TOT	3,309	10,721	6,034	20,064	
TL %OF TOTAL	84.65%	79.23%	89.02%	82.84%	

The combined caseload of the pilots is about 44% of the ten large total, and one third of the state wide total.

Out of Home Placement by type for SFY 1999:

COUNTY	Family Foster Care	Spec. Group Home	Receiv-ing Home	Shelter Care	RCCF	Indepen-dent Living	RTC	Transi-tional Care	Home Based Care	Relative Foster Care	Total	% Of State
ARAP.	389	42	41	14	50	13	169	0	0	60	778	9.73%
BOULDER	170	21	9	6	27	10	37	3	4	33	320	4.00%
EL PASO	633	44	0	0	23	6	76	0	0	91	873	10.91%
JEFFER.	265	44	43	5	33	5	114	16	7	91	623	7.79%
MESA	177	32	6	0	22	8	24	0	0	28	297	3.71%
PUEBLO	335	26	0	0	8	6	46	0	0	137	558	6.98%

The mix of placements reflects resource availability and management. Utilization of RTC placements, which are the most expensive and restrictive placements, can be controlled through greater use of the other placement types together with Core or wraparound services.

Percentage of caseload in placement:

COUNTY	County Population	Children in OOH Placement	Incidence per 1000	TOTAL Average Caseload	Average Out of Home Caseload as a Percent of Total Average Caseload
	CY* 99	Oct-99		SFY** 99	
ADAMS	93,773	894	9.53	2,199	40.65%
ARAPAHOE	122,263	857	7.01	2,409	35.57%
BOULDER	64,602	299	4.63	1,207	24.77%
DENVER	139,756	1,821	13.03	4,967	36.66%
EL PASO	135,235	884	6.54	3,246	27.23%
JEFFERSON	126,563	592	4.68	1,649	35.90%
LARIMER	57,912	324	5.59	938	34.54%
MESA	28,789	293	10.18	738	39.70%
PUEBLO	34,153	536	15.69	1,317	40.70%

WELD	44,876	381	8.49	867	43.94%
TEN LARGEST SUB-TOT	847,922	6,881	8.12	19,536	35.22%

*Calendar Year **State Fiscal Year (July through June)

It is interesting to note that two of the managed care counties which had savings (Boulder and El Paso) also had a significantly lower than average percentage of caseload in placement. It follows that lower caseload percentage would enhance a county's potential to realize savings. However, two of the pilots with a higher than average placement percentage (Mesa and Pueblo) had savings as well. This may indicate that there are several factors or variables involved in the accrual of savings.

Managed Care Pilot General Fund Savings

Managed care pilots have the incentive of keeping any unspent state general fund portion of their child welfare allocations at the end of the fiscal year. Up to five percent of the county's allocation may be used to offset the county's twenty-percent share of their child welfare expenditures. Any savings not spent on county share must be used for services to children. The county must address any issues related to non-compliance with the Child Welfare Settlement Agreement, and with outcome performance, as specified in the MOU between the county and the state. The following is a summary of savings by county, and county plans for using the savings to enhance services for children:

State Fiscal Year 1997 – 1998

- Jefferson – No savings accrued.
- Boulder – Savings of $30,287 spent to help fund the sex offender Project REACH, through the hiring of a psychologist/therapist.
- Mesa – Savings of $278,915 put in a reserve account.

State Fiscal Year 1998 – 1999

- Arapahoe – No savings accrued.
- Boulder – Savings of $69,111, planned to continue funding of Project REACH; match grants for substance abuse evaluator/consultant and programming for girls; and respite care for high-risk foster/kin placements.
- El Paso – Savings of $1,346,151, planned to help fund program initiatives including structured family decision making, multi-systemic therapy, drug and alcohol

treatment, and a nursing home visitation program.

- Jefferson – Savings of $174,604, planned to help fund five new child welfare positions.
- Mesa – Savings of $417,606, planned for developing an in-county Residential Treatment Center in partnership with Colorado West/Options MHASA (will use last year's savings as well as other funds in reserve account).
- Pueblo – Savings of $268,578, planned to fund contracted long-term follow-up services for families who have a history of recidivism due to chronic problems.

Summary

A total of $2,585,252 has been returned to the pilot counties as general fund savings over the past two years, $309,202 in SFY 1998, and $2,276,050 in SFY 1999. Of these savings, none has been spent to defray county share. All of the general fund savings have been spent, or are planned to be spent, to enhance Child Welfare Services.

Managed Care Outcomes

The following is a summary of outcome performance for the six managed care counties in SFY 1999:

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Safety Outcome – maintain or decrease confirmed reports of abuse and neglect per 1000 of county child population.

The Central Registry database is used for this measure. The performance may slightly undercount incidents occurring before July 1, 1999, with paperwork sent to the Central Registry after July 1st. As reflected in the chart below, all of the pilot counties met this performance measure.

The population data is provided by the State Demographer's Office in the Department of Local Affairs.

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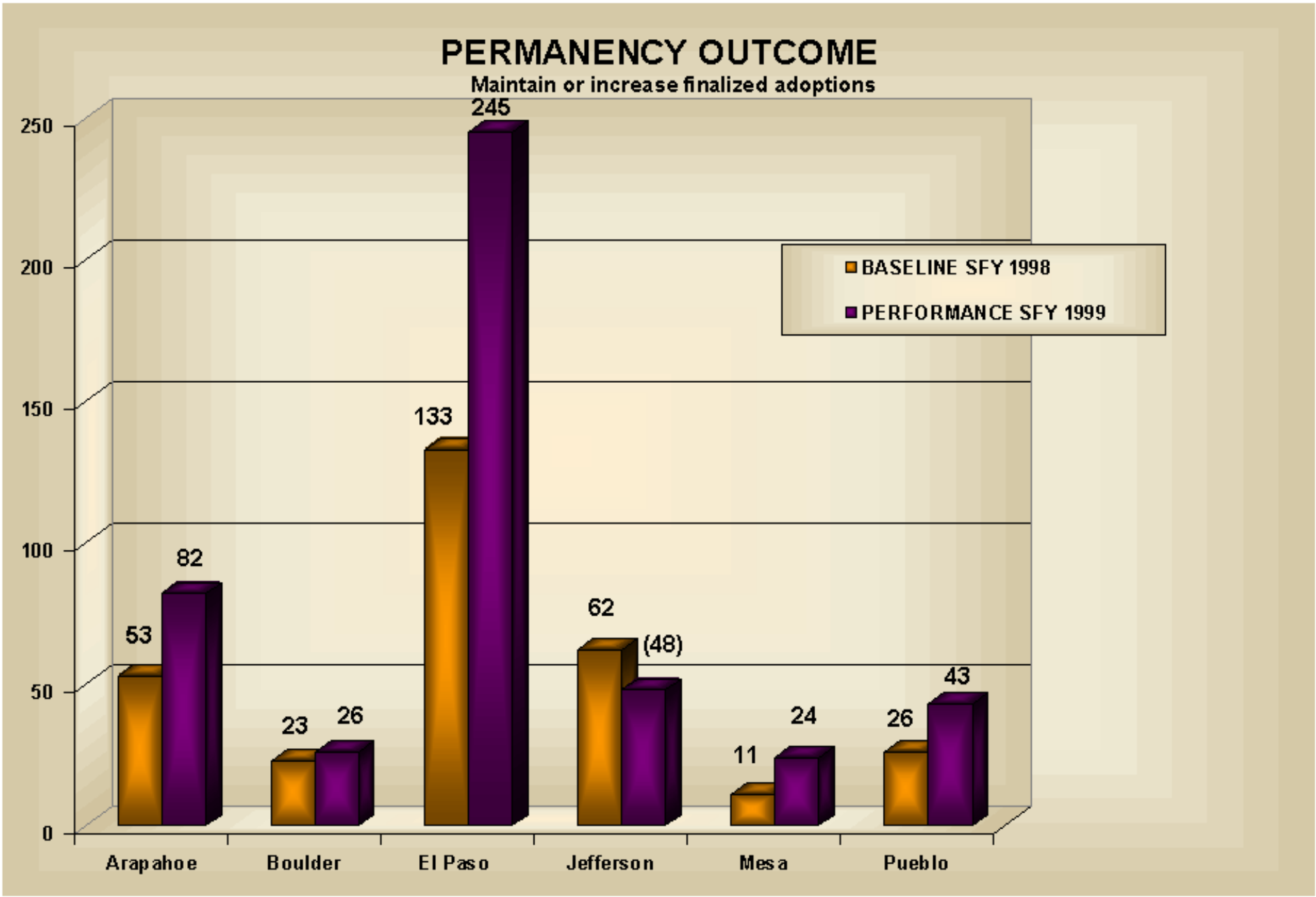
Permanency Outcome – maintain or increase the number of finalized adoptions.

The data for this measure comes from the CWEST database for finalized adoptions.

For the most part, the pilot counties showed significant increases in finalized adoptions from SFY 1998 through SFY 1999, as shown on the chart below. Though Jefferson County did not meet their baseline for this measure, they did increase reunification (as measured by CWEST residence at closure codes for OOH placements, from 118 with parents in FY 98, to 143 in FY 99). This was a stipulation agreed to between the county and the state in the MOU.



While not an outcome identified in the MOUs, pilots performed well in another measure of achieving permanency for children. The following Positive Placement Chart shows positive permanency outcomes for cases closed over SFY 1998 and SFY 1999.

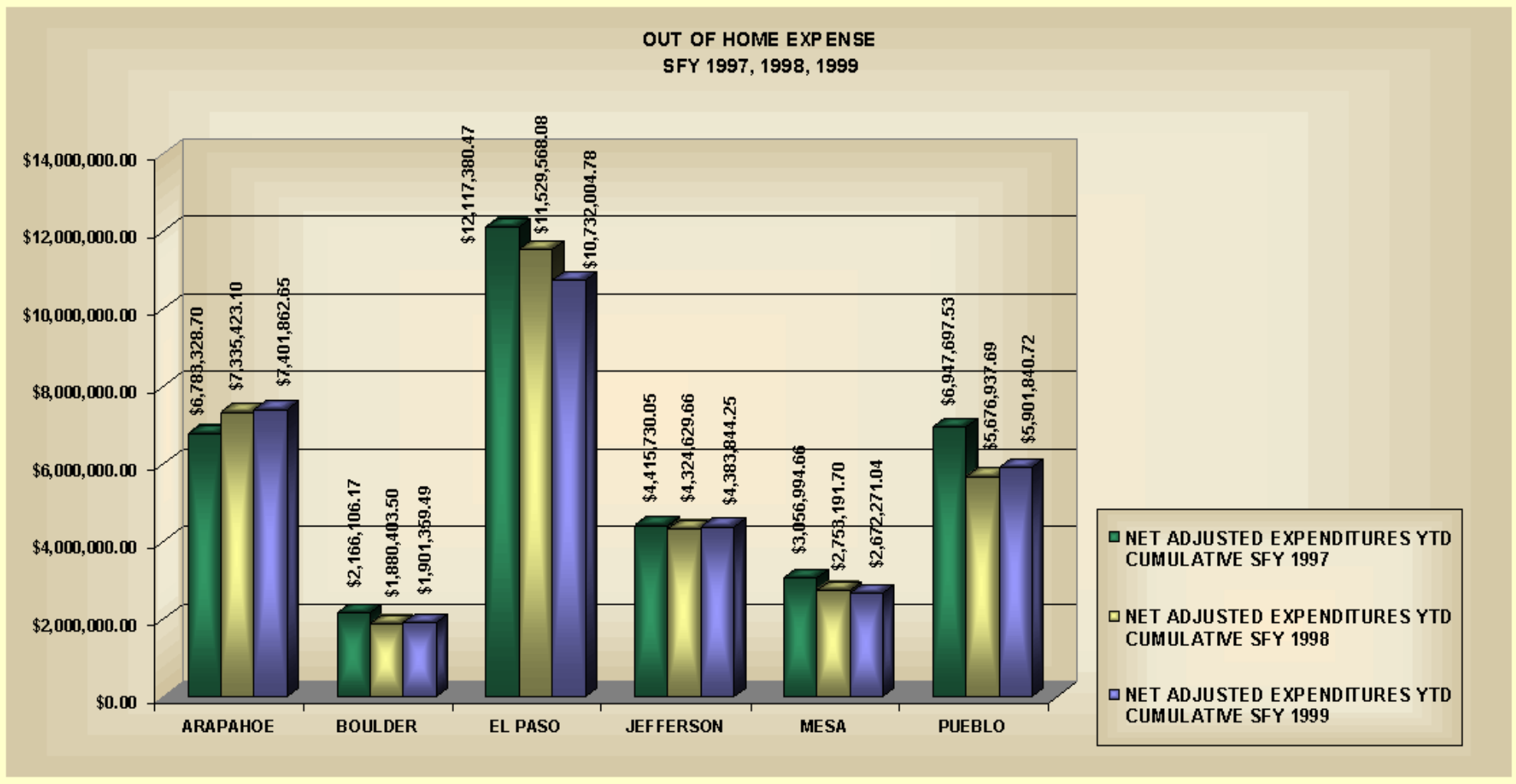
CWEST case closure codes reflecting positive permanency outcomes were aggregated and are shown as a percentage of total cases closed. The closure codes used include: 01-Parents, 02-Certified Kinship Care, 03-Guardian, 04-Adoptive Parent, 05-Adoptive Parent with Subsidy, 06-Foster Adoptive Parent, 20-Kinship Guardianship, 21-Kinship Adoption without Subsidy, 22-Kinship Subsidized Adoption, 23- Kinship Custody, 24-Relatives.

A high percentage of positive permanency outcomes is seen with all the pilots performing near or above ninety percent.

Other Indicators

These graphs provide a three-year comparison of data for out-of-home expenses and RTC placement in the pilot counties.

Placement Expense Comparison:



There are a number of variables to consider in making any conclusions regarding expense data. The county's allocation, population growth, placement mix, managed care implementation issues, and market factors should all be considered. It may be informative to compare expense data within and between counties with these factors in mind. Arapahoe County, for example, experienced significant caseload growth over this three-year period. It may be expected that with the implementation of capped allocations in SFY 1997 there will be a shift in expenses and children served. In that sense, SFY 1997 should be considered a baseline year for measurement.

RCCF/RTC Placement Comparison:

The above chart shows the monthly average RCCF and RTC placements for the pilot counties. From SFY 1998 to SFY 1999 four of the six pilot counties show a decrease in average monthly placements. Jefferson County maintained the same average number of placements over the period, while Boulder County increased placements. Boulder County's increase is related to the loss of a number of CPA beds available in the county and their desire to keep the affected children in the county.

Managed Care Evaluation

Last year, SB 98-165 authorized an evaluation of managed care in Child
Welfare and an evaluation of a Federal IVE Waiver when Colorado's waiver application was accepted. The revised waiver proposal focuses on case rate flexibility for out of home placements in at least two of the managed care pilot sites. Through a Request for Proposal (RFP) selection process, Mercer, Inc. was selected to do these evaluations.

The managed care evaluation began in April, 1999, with a focus on managed care readiness, cost benefit, outcomes, and client satisfaction in the six pilot counties. Thus far, the evaluation has produced and is working on the following:

- Monthly progress reports summarizing monthly and year-to-date activity.
- Managed Care Readiness Review Survey.
- Managed Care Readiness Review Site Visit Reports.
- Outcome Priority Surveys.
- System Process Fidelity Scales, based on the site visits, focus on systemic issues such as flexible funding, community collaboration and integration, and prevention.
- System blueprints are being completed, which will provide a schematic outline of the organization, funding and delivery of child welfare services at a county and state level before and after managed care implementation.
- Outcome benchmarks and priorities have been identified through nationwide and federal survey, and prioritization within the state surveys. The top five outcome priorities for state and county administrators, in order, are: prevention of abuse, safe placement, family connection, stay in permanent home, and parent strengths.
- Child Welfare practice assessment scales will measure outcomes and satisfaction from the perspectives of parents, caseworkers, other community agencies, and state Child Welfare.
- Cost/benefit analysis.

An interim evaluation report, which will incorporate all of the above and make recommendations, is due to the legislature by July 1st, 2000.

In the fall of this year Colorado's revised IV-E Waiver application was accepted, and the Mercer evaluation contract was amended to incorporate an evaluation of the waiver with the continuing managed care evaluation. It is proposed that the managed care evaluation continue as part of a five year evaluation of the IV-E Waiver. It is anticipated that at least two of the six managed care pilot counties will become IV-E Waiver demonstration sites. The waiver demonstration will focus on a case rate for a provider or group of providers to provide a continuum of care and variety of services and tools to families and clients, and will identify experimental and control groups for study and outcome evaluation.

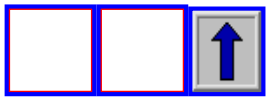
Summary

In its second year, the Managed Care Pilot Program has seen robust development and some early success. In many ways, questions regarding outcomes and efficacy have yet to be answered. This is a process which is unfolding within the context of significant changes in the child welfare system. Those changes include capped allocations, federal safety and permanency mandates, an increasing emphasis on prevention and early intervention, and sweeping data system changes.

Each county is unique in terms of service needs, their "starting place" with services, inter-agency collaboration, and beginning capped allocation. The managed care pilots are at different steps in establishing managed care practices and relationships. The state is partnering with the managed care counties to foster and develop practices which will enhance all counties in implementing managed care. This includes identifying and problem-solving state level issues and problems which may impede managed care implementation.

Next year (SFY2000) any county can apply to be a managed care county. Child Welfare is developing criteria and a process to accommodate the additional counties interested in implementing managed care. There will be greater standardization and formalization of criteria next year. The MOU's will reflect this in rule waivers and the use of Federal IVB Plan outcome performance measures. At the same time, it will be important to preserve flexibility for counties to meet their unique needs. The added element of a IVE Waiver will provide additional flexibility in service delivery for the waiver pilots, and will provide additional evaluative information related to managed care.

The expectation is that managed care practice will lead to more efficient and effective service delivery, while working in the best interests of children and families. In reviewing pilot county accomplishments, it is clear that there has been success as demonstrated by positive outcomes, program development, and interagency collaboration. All of the pilot counties are using utilization review, and have an increased emphasis on prevention, early intervention, and wrap-around services.



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