

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 5
 Bill Version: CSHB 126(HSS)
 (H) Publish Date: 4/7/10

Identifier (file name): HB126CS(HSS)-DHSS-FCSN-04-06-10 Dept. Affected: Health & Social Services
 Title: Foster Care/CINA/Education of Homeless RDU: Children's Services
 Component: Foster Care Special Needs
 Sponsor: Gara
 Requester: House HSS Component Number: 2238

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURE								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims	41.0		81.9	81.9	81.9	81.9	81.9	81.9
Miscellaneous								
TOTAL OPERATING	41.0	0.0	81.9	81.9	81.9	81.9	81.9	81.9

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	2.2		4.4	4.4	4.4	4.4	4.4	4.4
1003 GF Match	38.8		77.5	77.5	77.5	77.5	77.5	77.5
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL	41.0	0.0	81.9	81.9	81.9	81.9	81.9	81.9

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

The intent of CSHB126 is to extend foster care services to youth who stay in custody between the ages of 18 and 21, if it is determined to be in the best interest of the youth, and the youth consents to remain in care. It also extends the option to those youth ages 16 to 21 who have been emancipated to return to foster care.

This fiscal note addresses increased foster care special needs costs for youth who remain in foster care beyond age 18. Special needs costs include: items such as youth specific travel (foster family vacations, biological family visitation, any necessary treatment or medical costs not paid by Medicaid, school or cultural events, or summer camp; tutoring; prescribed diet or food services; extraordinary clothing related to growth spurts or medically fragile conditions that exceed the allocated 10% of the foster care base rate; or damage costs of up to \$5,000 if the damages were caused by an act of the child or youth.

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 Date/Time 4/5/2010 12:00:00 PM

Approved by: Alison Elgee, Assistant Commissioner
DHSS Finance & Management Services

Date 4/6/2010

ANALYSIS CONTINUATION

The following assumptions have been applied:

- 1) OCS successfully implements all federal program requirements to extend foster care to age 21 within the first 6 months of FY 2011.
- 2) The number of youth who return to foster care after emancipation will be minimal. An estimate provided by the Facing Foster Care in Alaska group equaled 3.
- 3) The number of youth who turn age 18 will remain somewhat consistent from year to year and are based on the average number of children in custody ages 17 through 19 as of February, 2010 [80 youth]. No consideration has been included in this note for a possible influx of youth into the program extension during the first year of implementation nor to possible growth in out years.
- 4) Calculations are based on full time equivalents (FTEs) to account for youth who move in and out of the program for varying reasons. FTEs are calculated using a 94.23% conversion rate.
- 5) Approximately 45% of youth ages 19 and 20 will remain in care. This assumption is not supported by any known Alaska statistics but is an estimate that ties to the average number of youth who experience some postsecondary education in the State of Illinois. Illinois one of the few states that have experience providing care to age 21. The assumption is that the majority of youth who remain in school may remain in foster care as well.
- 6) No monetary adjustments have been included to address the possibilities of youth who develop special needs such as medical fragility or pregnancy before age 21 and return to foster care.
- 7) Calculations use the average cost per child for special needs items.
- 8) 66% percent of the youth who remain in care will follow through with post secondary education or work at least 80 hours per month and remain within the requirements of the Adoption and Guardianship Fostering Connections to Success and Increasing Adoptions Act of 2008 to be eligible for IV-E federal reimbursement. This assumption is not based on data but an experience-based guess by OCS staff.
- 9) The foster care penetration rate and the Federal Medical Assistance Percentage will remain somewhat stable.

Average number of youth age 17 through 19 = 81. 81 youth x 94.23% FTE conversion = 76 FTEs. 76 FTEs applying the assumption that about 45% will remain in care through ages 19 and 20 = approximately 35 FTEs.

Estimated cost per FTE = \$2,340.00 annually x 35 FTEs = \$81,900. Federal reimbursement for these costs is estimated at 5.4% or \$4,422.6.