

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSSB 27(HSS)
 (S) Publish Date: 4/7/09

Identifier (file name): SB027CS(HSS)-DHSS-FCBR 3-17-09 Dept. Affected: Health & Social Services
 Title: Foster Care Age Limit/Tuition Waiver RDU: Office of Children's Services
 Component: Foster Care Base Rate
 Sponsor: Davis
 Requester: Senate HSS Component Number: 2236

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
OPERATING EXPENDITURES							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims	725.0		445.2	445.2	445.2	445.2	445.2
Miscellaneous							
TOTAL OPERATING	725.0	0.0	445.2	445.2	445.2	445.2	445.2

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

1002 Federal Receipts			55.6	73.9	73.9	73.9	73.9
1003 GF Match			389.6	371.3	371.3	371.3	371.3
1004 GF	725.0						
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	725.0	0.0	445.2	445.2	445.2	445.2	445.2

Estimate of any current year (FY2009) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

CSSB 27, as it relates to the Department of Health and Social Services Office of Children's Services, amends AS 47.10.080(c) to provide the court the authority to commit a child to placement to age 21 if in the best interest of the youth and the youth is in agreement; amends AS 47.10.990(3) by further defining a child to include youth under 21 years of age if that youth is living in out-of-home care; and expands the current Foster Care Transition Program (AS 47.18.300-390) to include children in state custody who were placed in out-of-home care and identified to likely remain in out-of-home care until age 18; and allows for a one-year monetary living expense stipend to eligible youth who have left out-of-home care up to age 23. This fiscal note addresses increased foster care base rate reimbursements to providers for youth who remain in out-of-home care as defined by CSSB 27.
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Prepared by: Tammy Sandoval, Director Phone 465-3191
 Division: Office of Children's Services Date/Time: 3/16/09 12:00 AM

Approved by: Alison Elgee, Assistant Commissioner Date: 3/17/2009
DHSS Finance & Management Services

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ANALYSIS CONTINUATION

The OCS, lacking historical data or comparative program results, has made the following assumptions and applied them to this fiscal note:

- 1) Foster care reimbursement payments will be made available to foster parents who provide care for youth who remain in the custody of the state beyond age 18 to age 21;
- 2) The choice made by youth in custody to remain in custody after age 18 is not tied to post secondary education;
- 3) Youth who are between the ages of 18 and 21 and were in state custody will not re-enter foster care;
- 4) The number of youth who age out of foster care will remain somewhat stagnant at about 110 youth annually;
- 5) It is assumed that many of the youth who decide to stay in foster care will be interested in post secondary education.
- 6) It is assumed that the percent of youth who choose to stay in foster care will decline as they age; at which point the youth will instead chose the option for a monetary stipend.
- 7) Calculations are based on 360 days per year, at an average daily rate of \$35.33, using full time equivalents (FTEs) to account for the constant change in the population as youth turn 18, 19, and 20 and move on and off the program at varying rates. $\$35.33/\text{day} \times 30 = \$1,060/\text{mo} \times 12 \text{ months} = \$12,720/\text{year}$.
- 8) FTEs were estimated based on assuming that 15% of the youth in foster care will decide to remain in their foster homes when they reach 18 (17 individuals); 10% when they reach 19 (11 individuals); and 5% when they reach 20 (5 individuals); for a total of 33 youths in FY2010.
- 9) In addition to the 33 youth who choose to remain in foster care in FY2010, the OCS estimates that 24 additional children with special needs will want to remain in foster care in FY2010. Approximately 18 special needs children age out of foster care annually. Currently about 6 of the 18 are placed annually in extended care by the courts. While there is no statistical data to support the assumption that youth with special needs will chose to remain in foster care, the OCS believes that during FY2010, the ability for these youth currently age 17, 18, and 19 to agree to stay in care will be encouraged by foster parents, guardians ad litem, and the courts. The OCS projects that 12 of those youth will remain in foster care when they turn 18; 6 will remain when they turn 19; and 6 will remain when they turn 20; for a total of 24 youths with special needs in FY2010.
- 10) In FY2010, 33 youth will decided to stay in foster care, many of whom will seek post secondary education and 24 children with special needs will be encouraged to remain in foster care in order to receive the services they require, bringing the total number of youth to 57.

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ANALYSIS CONTINUATION

11) The OCS believes that after the first year of implementation when those youth currently age 17, 18, and 19 are brought into the program, out years will stabilize at 35 as the OCS, the courts, guardians ad litem, foster families and youth better prepare to take advantage of free tuition and costs as well as the monetary stipend. There is no data or comparative program information available to support this assumption.

12) Currently, federal reimbursement for the extension of the foster program is not available. However, the Adoption and Guardianship Fostering Connections to Success and Increasing Adoptions Act of 2008 includes the option to extend the assistance age through 20. This fiscal note assumes that option will be implemented when available, October 1, 2010, and therefore is available for the final three quarters of FY2011 forward, only.

13) The foster care penetration rate and the Medical Assistance Percentage Rate will remain somewhat stable over the time period of this fiscal note.

Fiscal Year	FTEs	AGES	Annual Cost per/FTE	Est. FFP	Total Annual Est. Cost	Federal Funds	General Funds
2010	57	18,19	\$12,720	0.00%	\$725,029	\$0	\$725,029
2011	35	18,19,20	\$12,720	12.50%	\$445,193	\$55,635	\$389,558
2012	35	18,19,20	\$12,720	16.59%	\$445,193	\$73,868	\$371,325
2013	35	18,19,20	\$12,720	16.59%	\$445,193	\$73,868	\$371,325
2014	35	18,19,20	\$12,720	16.59%	\$445,193	\$73,868	\$371,325
2015	35	18,19,20	\$12,720	16.59%	\$445,193	\$73,868	\$371,325