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STRENGTHENING DIRECTOR'S APPROVAL PROCESSES TO REDUCE RESIDENTIAL ENTRIES AND SUSTAIN COMMUNITY PLACEMENTS FOR CHILDREN IN OUT-OF-HOME CARE

TECHNICAL GUIDE

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Introduction

Drawing on strategies developed by Michigan's Department of Health and Human Services (MDHHS) with the support of the Harvard Kennedy School Government Performance Lab (GPL), this guide provides a roadmap for child welfare agencies to:

1. Develop a toolkit of existing resources to support safe and sustainable community placements, and
2. Strengthen their framework for triaging and diverting residential referrals.

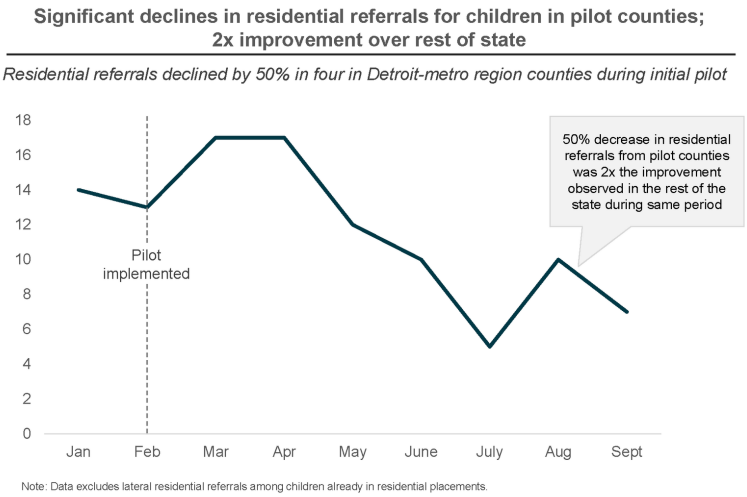


Figure 1. Number of referrals to residential programs for children in Detroit metro region pilot counties

Why state child welfare agencies need stronger residential referral review and diversion strategies

While residential programs remain an important part of a child welfare system's service array, there is growing consensus that children should be placed in these settings only when other alternatives are not possible and residential services are necessary to treat complex clinical or behavioral needs. Many specialized treatment and support services can be provided to children while continuing to live in family-based settings where there is robust evidence that children experience better outcomes, especially when living with relatives. Long stays in residential programs can hinder children's social and emotional development and reduce the likelihood that children will achieve stable, secure family connections prior to entering adulthood.[1] Despite this, and even with new requirements under the Family First Prevention Services Act designed to limit the use of residential settings for children in out-of-home care, residential programs are too often used as a stopgap when children have more complex or escalating needs that make it challenging to quickly identify or sustain community placements.[2]

As part of a broader suite of strategies to better meet the needs of these children and further reduce the use of residential programs,[3] many jurisdictions are establishing director's approval processes or "prior authorization" requirements for entry to residential programs. When implemented alongside a suite of other changes, these policies can be a powerful tool for increasing scrutiny around placement decisions and ensuring children only enter residential

1. Casey Family Programs, "What are the outcomes for youth placed in congregate care settings?" (https://www.casey.org/what-are-the-outcomes-for-youth-placed-in-congregate-care-settings/); Think of Us, "Away From Home: Youth Experiences of Institutional Placements in Foster care" (*https://www.thinkof-us.org/awayfromhome*)
2. The Family First Prevention Services Act (FFPSA) established provisions to protect against inappropriate use of congregate care settings and restrict Title IV-E reimbursement to placements in designated Qualified Residential Treatment Programs (QRTPs), and only in cases where an independent assessor has determined that the child's clinical needs will be met by a program's treatment model and that placement is in the child's best interests. See the Capacity Building Center for States' "Congregate Care in the Age of Family First" for an overview of the policy's key provisions (https://capacity.childwelfare.gov/states/resources/family-first-overview).
3. See Annie E. Casey Foundation's guide to "Rightsizing Congregate Care" for additional levers of change and actions steps to reduce use of residential programs (https://www.aecf.org/resources/rightsizing-congregate-care).

programs when necessary to meet their needs. For example, Michigan already had such a prior authorization policy in place in 2019: each County Director needed to sign off on any residential referral made, and residential stays for any child under age 10 required additional approval from the Regional Director. Even so, a large number of children continued to be placed in residential programs each year.

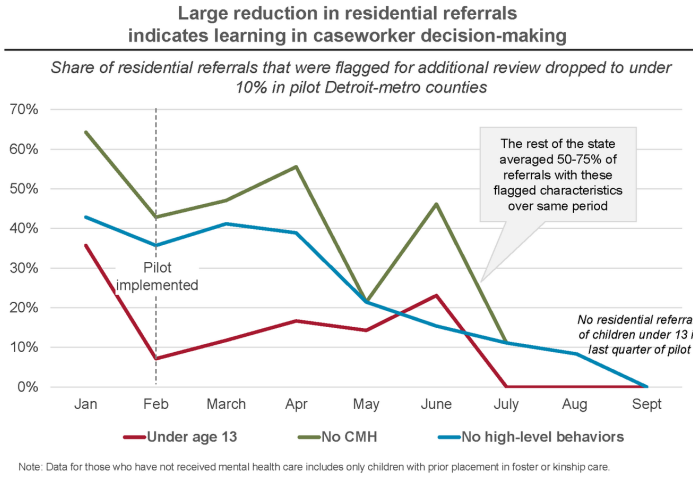


Figure 2. Share of residential referrals requiring additional review in Detroit metro region pilot counties

Without low-friction access to alternative resources that could support community-based placements, leaders are often left with few options for diverting children from residential programs when reviewing residential referrals. In addition, without detailed prior knowledge of the case or easy-to-use criteria for identifying cases most likely to be successfully sustained in family-based settings with the right infusion of supports, it is hard for leaders to know where to direct their attention. These gaps can also lead to more subjective placement decisions, potentially contributing to existing disparities in the system. This guide outlines the approach Michigan used to augment its existing prior authorization policy by (1) strengthening its "toolkit" of services and resources to support alternatives to residential programs, and (2) designing a practical framework for objectively triaging potential residential referral cases to identify opportunities to divert children from entering residential programs.

Building a Toolkit of Interventions to Maintain Community Placements

In reviewing cases of children being referred to residential programs, Michigan found that, in many instances, existing interventions designed to promote placement stability and treat children's more intensive behavioral health needs were not being fully utilized prior to recommending residential settings. For example, among children referred from community placements with foster or kin caregivers to residential programs in January 2020, two-thirds of children had not yet been connected to local community mental health services; three-quarters had not received a trauma assessment; and three-quarters of caregivers received the baseline maintenance payments without additional supplements to accommodate children with more significant needs.

With the support of the GPL, Michigan developed a "toolkit" of interventions (Table 1) that could be used to maintain placement in family-based settings for children at imminent risk of placement disruption or entry to a residential program.

Table 1. Selections from Michigan's toolkit of interventions to support placement in family-based settings

Intervention	Support Offered to Community Placements
Community mental health services	Community Mental Health centers offer a wide range of Medicaid-funded mental health services for children in Michigan, including in-home, wraparound, and respite supports for resource families.
Serious emotional disturbance waiver program	Children assessed to have "serious emotional disturbance" are eligible for enhanced wraparound mental health services through the waiver program.
Treatment foster care	Treatment foster care provides intensive services in a family-based setting with a treatment team that includes caseworkers, behavioral aides, foster parents, biological parents, therapists, and other community members.
Family preservation services	Michigan has a range of in-home, intensive family preservation services that offer case coordination to families working toward successful reunification, or, on a by-exception basis for children placed with relatives, where reunification is still the permanency goal.
Mobile crisis unit	Most local Community Mental Health centers in Michigan have a 24-hour mobile crisis unit that can be called on during an acute mental health crisis to help divert children from psychiatric inpatient hospitalization.
Children's trauma assessment centers	All foster youth in Michigan are eligible for a comprehensive trauma assessment. The trauma assessment can often provide caregivers a wide range of strategies to support a child coping with trauma.
Neutrally facilitated family team meetings	Family Team Meetings can provide an opportunity for the child, their caregivers, and their biological family to generate solutions to keep a child in community,

Intervention	Support Offered to Community Placements
	including identifying respite caregivers already known to the child or caregiver, identifying alternative relative placement options, and expediting reunification.
Increased daily maintenance rates for resource families	Approving substantially increased daily rates for resource families caring for a higher-needs child can provide important financial support for caregivers experiencing work disruptions, extensive travel expenses and other costs associated with providing appropriate care.
Respite care networks	Encouraging workers to have resource families identify a respite care network—either informally during a Family Team Meeting or formally through an existing foster agency network—can put additional support in place to help stabilize a placement crisis.

By rapidly intervening to stabilize a crisis and connect children and caregivers to these services and supports, Michigan was able to successfully divert children from entering residential programs in many cases. While many of these supports are beneficial to families at any point during a placement, the escalating needs that often accompany a residential referral warrant revisiting this full suite of supports. This moment of crisis sometimes also opens up new resource options (e.g., if leadership can grant special approval for families to access to supports for which they otherwise would not be eligible) or brings a new sense of urgency to tackling barriers to accessing supports.

Case example: Deploying family preservation services & community-based mental health supports to stabilize placement with family

A 16-year-old girl was recommended for referral to a residential program after her grandmother signaled that she was unable to continue placement and was struggling to manage the child's escalating behaviors—including episodes of running away for days at a time—while also caring for her elderly husband. The child's mother was incarcerated and expected to reunify with her daughter within the following month. In this case, the youth had not previously been connected to local community mental health services. And while exhibiting some challenging behaviors, she did not have complex clinical needs that could only be supported by residential programming.

With this case elevated for additional review, the Director decided to initiate a process to obtain special permission to deploy in-home family preservation services leading up to the anticipated reunification process in order to provide additional support to the caregivers. The County also worked with the local community mental health officer to set up next steps to provide in-home and wraparound mental health support.

With these additional supports, the grandmother felt equipped to continue placement, and these additional supports prevented an unnecessary entry into a residential program.

Developing a framework for triaging potential residential referral cases for additional support
To enable caseworkers and child welfare leaders to identify whether it might be probable to continue supporting a child in a family-based setting—if the right sets of supports and services were quickly put in place—GPL supported Michigan to develop a set of objective criteria for screening each potential case being referred to residential programs. The goals of this new framework were to (1) identify children who might be more appropriately served in community and were less likely to benefit from residential treatment; and (2) identify children who had not exhausted existing programs designed to support community placement stability and treat more intensive mental health needs.

Drawing on the guidance of clinical and practice experts, including best practices related to childhood trauma, Michigan designed a screening framework based on the following principles. Criteria in the framework needed to:

- Be as objective as possible: The framework was designed so that it could be adopted and applied consistently by caseworkers in any regional office across Michigan, reducing subjectivity in a process with the potential to exacerbate existing racial disparities in placement rates. For example, behaviors were recorded categorically (e.g., yes/no) rather than along a more subjective scale (e.g., mild/moderate/severe).
- Be sensitive to the risk of stigmatizing children: Labels associated with a child's case can become "sticky" and have long-term impacts on their time in care.
- Reflect information readily available in case files: Leaders and staff may have had limited prior involvement with a case and little time to gather a full and nuanced picture of a child's needs and service history during a placement crisis.
- Avoid clinical terminology: As caseworkers did not necessarily have clinical expertise, the framework was designed to prompt closer review of a case, rather than provide a clinical assessment of a child's treatment needs. While developed with support of clinical experts, it was important that the framework did not contradict more intensive clinical assessment paradigms.

Using these principles, Michigan developed a set of three criteria (Table 2) that caseworkers and supervisors could use to screen for whether a child being referred to a residential

program could potentially continue to be supported in community-based settings, in advance of a clinical review by an independent assessor.

Table 2. Criteria developed by Michigan to identify potential opportunities to divert children from entering residential programs

Category	Criteria
Age	Is the child age 13 or older? Children under age 13 are particularly vulnerable to experiencing poor outcomes from long stays in residential programs.
Prior supports	Has the child been connected to existing local community mental health services? This is the primary array of services that could be provided while remaining in a family-based setting.
Recent behaviors	Has the child exhibited any "high-level" behaviors in the previous six months—behaviors which may be challenging to support outside of a clinical setting?[4] If not, they may be able to be Age supported in a family-based setting.

If the answer to any of these three questions was "no," that was a signal that a case warranted further review and provision of additional supports and services before proceeding with a referral to residential treatment program.

Spurring change by elevating cases to leadership for additional review & rapid intervention

In order to accelerate cultural change around the utilization of residential programs, Michigan initially engaged more senior leaders in the residential referral review and authorization process. Initially focusing on referrals from four pilot counties in the Detroit metro area, the state began convening key stakeholders each week to apply this new set of screening criteria and consider alternative supports from the new toolkit to stabilize community placements. Attendees included the Regional Director and a small team of supporting placement analysts, the relevant County Director, a representative from the local Community Mental Health provider, supervisors and caseworkers involved with the case, plus any additional relevant stakeholders. Bringing senior leaders into these conversations helped to model new norms around the use of residential programs and accelerated the process for identifying and approving more flexible uses of resources.

4. In Michigan, behaviors categorized as "high-level" included suicidal ideation with risk of hospitalization, self-mutilation or self-harm requiring hospitalizations, psychotic episodes, physical aggression in the home, inappropriate sexualized behavior that puts others at risk, homicidal ideation, or human trafficking risk.

Three factors contributed to the impact of this rapid intervention process with senior leaders:

- Decision-making authority: Meeting attendees included senior and local leadership, staff closest to a case, and service provider representatives. Between them, participants had power to make key case decisions, creatively and swiftly mobilize resources, provide key case information, and set high expectations for action.
- Rapid, solutions-oriented intervention: A weekly meeting cadence enable rapid intervention to stabilize a crisis and connect a resource family to key services. By ensuring all attendees were prepared with key case information, clear recommendations for next action steps were able to be made more swiftly.
- Follow-up expectations: Any case without a final resolution was discussed in a following meeting, creating accountability to push towards achieving the best rather than quickest outcomes for a child, including plans for expedited "step downs" from programs when residential entry could not be avoided.

Over time, as tools have been refined and agency culture around the use of residential programs has shifted, this process has been moved closer to the frontline. Flagging and intervening in cases at the county level allows decisions to be made even more rapidly—especially important when a placement may be in crisis—and ensures key learnings about strategies to support community placement can be tailored to local context and embedded in caseworker practice earlier in the life cycle of a placement.

Impact of piloting these strategies in Michigan

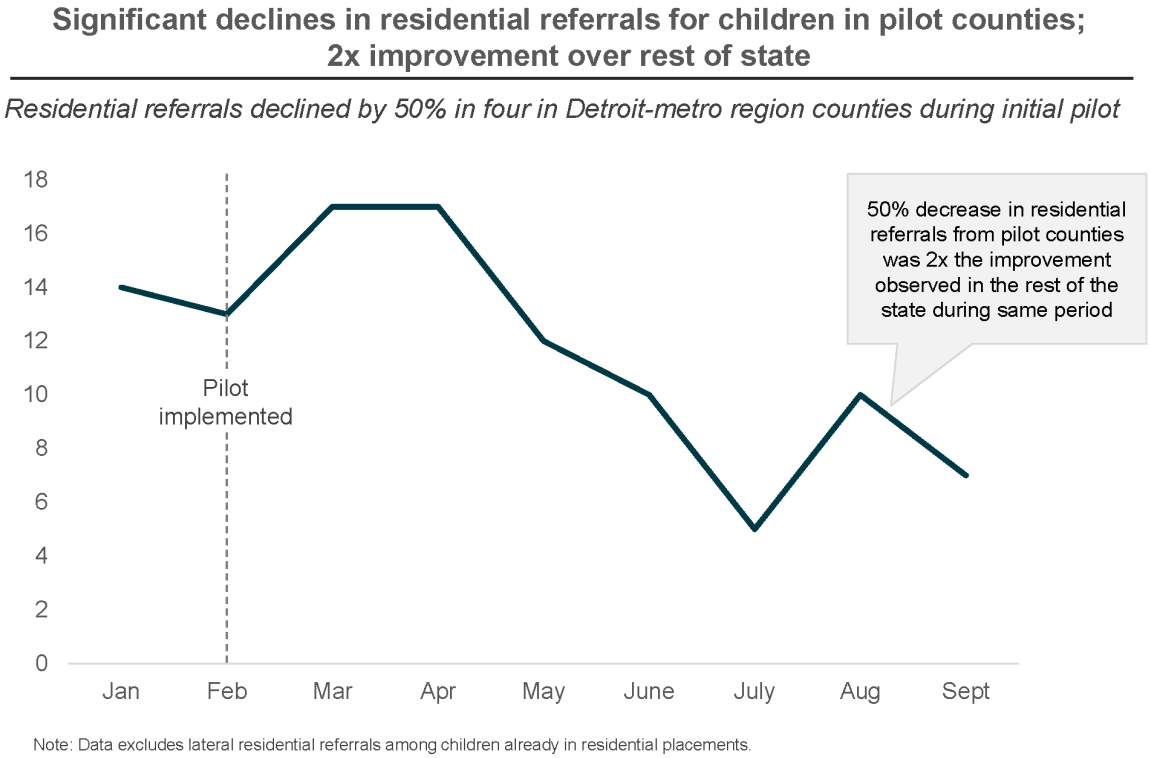
Michigan observed a sharp reduction in referrals and entries to residential programs following implementation of these strategies. In the first six months after launching these new protocols, the overall number of children being referred for residential programs from four pilot counties in the Detroit metro area declined by 50 percent—an improvement double that seen in the rest of the state during the same period (Figure 1).

For children at imminent risk of placement disruption, strengthening rapid connections to more intensive supports like wraparound behavioral health services, additional financial supports for resource families, or in-home family preservation programs helped to stabilize placements and avert referral to residential programs. Through this process, agency leadership has been able to build a deeper understanding of challenges faced by frontline staff in keeping children in community placements, including identifying key service gaps and patterns of underutilization of existing resources.

At the same time, the share of residential referrals meeting criteria prompting additional review—including in cases for children under age 13, without previous connections to community-based mental health services, or without recent "high-level" behaviors—has declined. Caseworkers increasingly applied learning from prior cases that received input and

intervention from leadership, proactively implementing strategies from the toolkit to stabilize community placements before recommending a referral to residential programs. The share of new referrals for residential programs that prompted additional leadership review dropped to under 10 percent in pilot counties (Figure 2).

Michigan has since scaled these protocols statewide and implemented a number of additional strategies that have contributed to an overall decline in the population of youth in residential programs by more than 50 percent, enabling many more children to remain in family-based settings.



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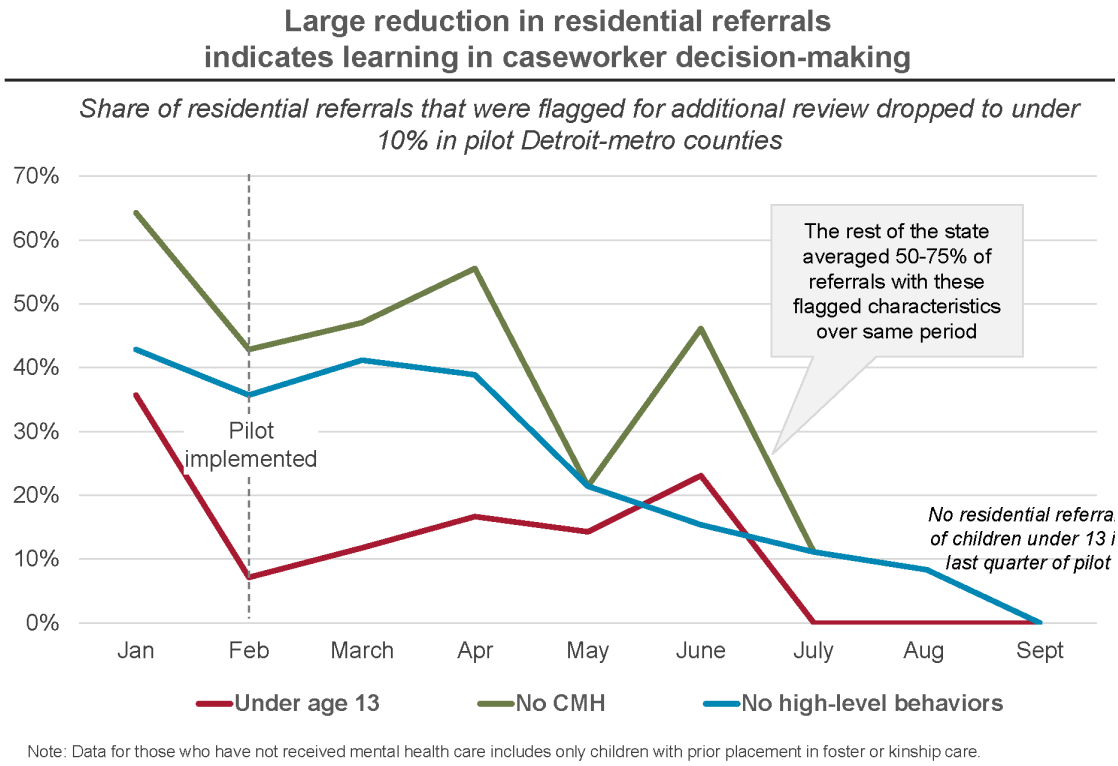

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The Government Performance Lab, housed at the Taubman Center for State and Local Government at the Harvard Kennedy School, conducts research on how governments can improve the results they achieve for their citizens. An important part of this research model involves providing hands-on technical assistance to state and local governments. Through this involvement, we gain insights into the barriers that governments face and the solutions that can overcome these barriers. By engaging current students and recent graduates in this effort, we are able to provide experiential learning as well.

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